



EThekweni Municipality

Annual Report

2017/2018

PREFACE

Section 121 (1) of the Local Government: Municipal Finance Management Act 56 of 2003 (MFMA) stipulates that: "Every Municipality and Municipal entity must for each financial year prepare an annual report in accordance with its guidelines."

The purpose of the annual report is to:

- (a) Provide a record of the activities of the eThekweni Council during the financial year 2017/2018;
- (b) Provide a report on performance against the budget of the eThekweni Council for the financial year 2017/2018; and
- (c) Promote accountability to the local community for the decisions made throughout the year by the Municipality.

According to the MFMA, this Report should include:

- (a) The annual financial statements of the Municipality, and consolidated annual financial statements, submitted to the Auditor-General for audit in terms of section 126 (1) of the MFMA;
- (b) The Auditor-General's audit report in terms of section 126 (3) of the MFMA on the financial statements in (a) above;
- (c) The annual performance report of the Municipality as prepared by the eThekweni Municipality in terms of section 45 (b) of the Local Government: Municipal Systems Act 32 of 2000 (MSA);
- (d) The Auditor-General's audit report in terms of section 45 (b) of the MSA;
- (e) An assessment of the arrears on municipal taxes and service charges;
- (f) An assessment of the Municipality's performance against the measurable performance objectives referred to in Section 17 (3) (b) of the MFMA for revenue collection from each revenue source and for each vote in the Municipality's approved budget for the financial year 2017/2018;
- (g) Corrective action taken in response to issues raised in the audit reports referred to in paragraphs (b) and (d); and
- (h) Recommendations of the Municipality's Audit Committee.

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LIST OF ABBREVIATIONS AND ACRONYMS

ABET	Adult Basic Education and Training
ABI	Amalgamation Beverage Industries
ABM	Area-based Management
ACPI	Audit of Performance Information
ADMS	Advanced Distribution Management System
AFX	African Fashion Exchange
AMI	Advanced Mentoring Infrastructure
ANC	African National Congress
APEC	Asia-Pacific Economic Cooperation
APS	Accessible Pedestrian Systems
AS-IS	As It is
BAR	Basic Assessment Report
BBBEE	Broad Based Black Economic Empowerment
BCM	Business Continuity Manager
BCO	Building Control Officers
BEPP	Built Environment Performance Plan
BI	Building Inspectorate
BIA	Biodiversity Impact Assessment
BNG	Breaking New Ground
BP	Biodiversity Stewardship Programme
BPESA	Business Process Enabling South Africa
BPO	Business Process Outsourcing
BPR	Business Process Re-engineering
BPS	Business Process Services
BR&E	Business Retention and Expansion
BRICS	Brazil, Russia, India, China, South Africa
BRT	Bus Rapid Transit
CALP	Councillors Accelerated Leadership Programme
CBD	Central Business District
CCAC	Climate and Clean Air Coalition
CDM	Clean Development Mechanism

CEB	Compressed Earth Block
CEO	Chief Executive Officer
CER	Certified Emission Reduction
CETSA	Council for Economic Transformation of South Africa
CFCC	Cities Fit for Climate Change
CIBE	Commercial Industrial Business Estate
CIIU	City Integrity and Investigation Unit
CIP	Community Infrastructure Projects
Cllr	Councillor
CO2	Carbon dioxide
COGTA	Department of Co-operative Governance and Traditional Affairs
COP23	Conference of Parties 23
CPC	City Planning Commission
CRIP	Climate Resilience Implementation Plan
CRMS	Customer Relations Management Strategy
CRP	Community Reforestation
CRP	Customer Relations Policy
CRUs	Community Residential Units
CSCM	Coastal Storm water and Catchment Management
CSP	City Support Programme
CSW	Cleansing and Solid Waste
CTO	Community Tourism Organisations
DA	Democratic Alliance
DAA	Development Applications and Approval
DAC	Durban Automotive Cluster
DBSA	Development Bank of South Africa
DCCS	Durban Climate Change Strategy
DCM	Deputy City Manager
DCMF	Deputy City Manager Forum
DEA	Department of Environmental Affairs
DFPM	Durban Fresh Produce Market
DIFR	Disabling Injury Frequency Rate
DIPS	Durban Investment Promotion Strategy

DIRCO	Department of International Relations and Cooperation
DMOSS	Durban Metropolitan Open Space System
DMS	Document Management System
DMTP	Durban Marine Theme Park
DOT	Department of Transport
DPA	Distribution Power Analysis
DSW	Durban Solid Waste Department
DTI	Department of Trade and Industry
DUT	Durban University of Technology
ECA	Environment Conversation Act
ECOD	Economic Development and Planning Committee
EDGE	Economic Development and Growth in EThekweni
EDIP	Economic Development Incentive Policy
EDIPU	Economic Development and Investment Promotion Unit
EDRR	Early Detection and Rapid Response
EDTA	Economic Development, Tourism and Environmental Affairs
EIA	Environmental Impact Assessment
EKZNW	Ezemvelo KwaZulu-Natal Wildlife
EMA	EThekweni Municipal Areas
EMA	EThekweni Municipal Authority
EMA	EThekweni Municipal Academy
EMC	EThekweni Marine Cluster
EMIEF	EThekweni Municipal Informal Economic Forum
EMTV	EThekweni Municipality Television
EPCPD	Environmental Planning and Climate Protection Department
EPWP	Expanded Public Works Programme
ERLN	Economies of Regions Learning Network
ERM	Enterprise Risk Management
ERMS	Electronic Records Management Software
ESS	Emergency Services System
ETA	EThekweni Transport Authority
EU	European Union
EXCO	Executive Committee

FAP	Formalisation Local Area Plan and Scheme
FAP	Functional Area Place
FBE	Free Basic Electricity
FDI	Foreign Direct Investment
FEWS	Flood Early Warning System
FISC	Fire and Invasive Control
GA	General Advertising
GDP	Gross Domestic Product
GIA	Grant In Aid
GIZ	Gesellschaft fur International Zusammenarbeit
GRETS	GO! Durban Radical Economic Transformation
HCT	HIV Counselling and Testing
HDI	Human Development Index
HIV/AIDS	Human Immuno Deficiency Virus/Acquired Immune Deficiency Syndrome
HRMS	Human Resource Management System
HWPC	Hammarsdale Waste Beneficiation Centre
IAIA	International Association for Impact Assessment
IAP	Interested and Affected Parties
IAPC	International Association of Convention Centres
IAQ	Indoor Air Quality
ICC	International Convention Centre
ICDG	Integrated City Development Grant
ICTE	Information Communication Technology & Electronics
IDAFO	Inter-Departmental Aids Forum
IDP	Integrated Development Plan
IFP	Inkatha Freedom Party
IIA	Institute of Internet Auditors
INK	Inanda Ntuzuma KwaMashu
IoT	Internet of Things
IPP	Independent Power Producer
IRMSA	Institute of Risk Management South Africa
IRPTN	Integrated Rapid Transport Network

ISACA	Information Systems Audit and Control Association
ISEA	International Symposium of Electronic Art
ISEP	Informal Settlement Electrification Programme
ISOCARP	International Society of City and Regional Planners
IT	Information Technology
ITS	Intelligent Transport Systems
IUDF	Integrated Urban Development Framework
IWMP	Integrated Waste Management Plan
JDE CAMS	JD Edwards Capital Asset Management System
JDE E1	JD Edwards Upgrade
JOC	Joint Operating Committee
KPI's	Key Performance Indicators
KZN	KwaZulu-Natal
KZNFC	KwaZulu-Natal Fashion Council
LAP	Local Area Plan
LGSETA	Local Government and Sectorial Education Training Authority
LOC	Local Organising Committee
LTD	Limited
LTDF	Long-term Development Framework
LVGRUP	Low Volume Gravel Road Upgrade Programme
MDG	Millennium Development Goals
MDMS	Motor Data Management System
MEC	Member of the Executive Council
Mecosur	Mercado Comun Del Cono Sur
MFMA	Municipal Finance Management Act
MIE	Micro and Informal Enterprise
MMI	Marshal Motor Industries
MOU	Memorandum of Understanding
MSA	Municipal Structures Act
MSA	Municipal Systems Act
MSCOA	Municipal Standard Chart Of Account
MSDF	Municipality's Spatial Development Framework
MUT	Mangosuthu University of Technology

MVMS	Multi-Vendor Master Stations
NBR	National Building Regulation
NDP	National Development Plan
NEMBA	National Environmental Management Biodiversity Act
NERSA	National Energy Regulator of South Africa
NFPA	National Fire Protection Association
NGO	Non-Government Organisation
NPA	National Prosecuting Authority
NPO	None Profit Organisation
NPTC	Northern Public Transportation Corridor
NRD	Natural Resources Department
NSI	Needle Stick Injury
ODCM	Organisational Development and Change Management
OHS	Occupational Health and Safety
OMS	Outage Management System
PCSWMM	Personal Computer Storm Water Management Model
PGDS	Provisional Growth Development Strategy
PME	Performance Monitoring and Evaluation
PRASA	Passenger Rail Agency of South Africa
PSIR	Policy, Strategy, Information and Research
PTY	Propriety
QCTO	Quality Council for Trade Occupations
RBO	Resilience Building Options
RDI	Research Development and innovation
RETF	Radical Economic Transformation Framework
RL	Resource Link
RMS	Revenue Management System
RSA	Republic of South Africa
RSM	Road Systems Management
SA	South Africa
SAAMBR	South African Association for Marine Biological Research
SACPLAN	South African Council of Planners
SADC	Southern African Development Community

SAESI	Southern African Emergency Services Institute
IFSAC	International Fire Service Accreditation Congress
SAFLEC	South African Footwear and Leather Export Council
SAICA	South African Institute of Chartered Accountants
SAICE	South African Institute of Civil Engineer
SALGA	South African Local Government Association
SANRAL	South African National Roads Agency Limited
SAPOA	South African Property Owners Association
SAPS	South African Police Services
SAWS	South African Weather Service
SCM	Supply Chain Management
SDB	South Durban Basin
SDBIP	Service Delivery Budget and Implementation Plan
SDF	Spatial Development Framework
SDG	Sustainable Development Goals
SDP	Spatial Development Plans
SEA	Strategic Environmental Assessment
SFA	Strategic Focus Area
SHIs	Social Housing Institutions
SLA	Service Level Agreements
SNDB	Sub National Doing Business
SOCA	State of the City Address
SONA	State of the National Address
SPLUMA	Spatial Planning and Land Use Management Act
TIKZN	Trade and Investment KwaZulu Natal
TTT	Technical Task Team
U/RMF	Urban/Regional Management Forums
UK	United Kingdom
UMF	Urban Management Forum
UN	United Nations
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UPS's	Uninterrupted Power Supply

USA	United States of America
USAID	United State Agency for International Development
USDG	Urban Settlement Development Grant
USJOC	Umngeni System Joint Operating Committee
VAT	Value Added Tax
VCA	Veld Condition Assessments
VCi	Visual Condition Index
VOICE	Values of Organisational Culture and Ethics
WAIPA	World Association of Investment Promotion Agencies
WBG	World Bank Group
WESSA	Wildlife Environment Society of South Africa
WFE	Working For Ecosystems
WOF	Working on Fire
WSP	Workplace Skills Plans
WULA	Water Use License Authorisation
YOAC	Yangtze Optics Africa Cables
4IR	Fourth Industrial Revolution

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MAYOR'S FOREWORD

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We are proud of our improving service delivery record, which is a confirmation that the New Dawn is upon us, for the 2018/2019 financial year. I am humbled by the support we have received since we laid down our vision for this term of office. Our vision is inspired by that of our nation and province, which is to move South Africa forward in order to deal with the triple challenges of poverty, unemployment and inequality. We will continue with our pursuit of making eThekweni Municipality a “most caring and liveable city, in Africa, by 2030”.

The City's vision of being Africa's most caring and liveable city, is as true today as it was in the year 2000, when we collectively created a Long Term Development Framework (LTDF) for the City. The LTDF, which was later reviewed through the Imagine Durban Programme, provided a collective platform for sustainability in the City. Whilst we continue to address the urgent needs of our residents within the current constraints that we face, we do so believe in the vision that we have created for ourselves.

As stated by his Excellency, President Cyril Ramaphosa during the 2018 State of the Nation address, “We are one people, committed to work together to find jobs for our youth; to build factories and roads, houses and clinics; to prepare our children for a world of change and progress; to build cities and towns where families may be safe, productive and content. We are determined to build a society defined by decency and integrity that does not tolerate the plunder of public resources, nor the theft by corporate criminals of the hard-earned savings of ordinary people”.

We are committed to the principle of change and continuity. This simply means that we will always build upon the foundation that was laid by the previous leadership, both in the administration and policy level. This is the most fortunate part, as we were part of the collective decision, and we own up to all achievements and challenges that we have dealt with since our launch.

This financial year has been an exciting year for local government, in that we are now into the 4th generation of democratic local government. We are grateful for all the

changes that have since occurred in the country, which were effected in a most peaceful, dignified and democratic manner. Once again, we have proven to the world and to the international community that our democracy is stable and working well. We continue to lead at the global level and South Africa continues to live up to its founding vision of peace and democracy. We are the nation of democracy, people of Mandela, Tambo and Sisulu.

At a global and national level, many of our City's political and administrative leadership have actively influenced global policy and development, through involvement in the Habitat III processes, the Paris COP meeting and numerous other global events. Holding a leadership position in organisations such as C40 as Vice President responsible for Africa, has been one of my most fulfilling responsibilities. We have been able to advocate for Africa and its agenda when it comes to issues of climate change. Our participation and involvement in these events and forums, has entrenched our position as one of the cities at the forefront of strategic development as well as knowledge management.

At a Provincial level, we welcome the reviewed Provincial Growth and Development Strategy (PGDS) as the council, which guides us as a city, within a province that exists on the borders of different strategic municipalities. We have aligned our municipal priorities to that of the PGDS as well as the international goals such as the Sustainable Development Goals (SDGs). As we develop and review our Integrated Development Plan (IDP), we are very aware of our roles and responsibility to our residents as well as to future generations.

We have also appointed our Team Durban that will provide strategic foreign direct investment advice and support to the city, and act as a sounding board for the mayor, council leadership and the new Invest Durban Unit on business and investment promotion matters. This team gives feasible support to the City Leadership and Invest Durban, when attracting Foreign Direct Investments to the City. It will accompany the City Leadership delegations when it promotes and attracts Foreign Direct Investment into Durban. It is a board that advises on improvements to the cost and ease of doing business plus new investments in the city.

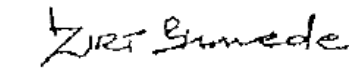
As a leading Metropolitan Municipality which contributes significantly to the national fiscus, we have positioned ourselves to respond to the legacy of spatial fragmentation and contribute to inclusive growth. This integrated approach will allow for the majority of

our local citizens to access public transport, goods and services in a cost-effective and efficient manner and to also to respond to growing the City's rates base.

This will enable us to meet the local socio-economic obligations. The catalytic projects planned for the City will have a huge economic and social impact. This impact will be measured in terms of the number of jobs created and how it supports mixed-use development by integrating commercial and housing needs, which will generate additional income through rates.

The implementation of our Radical Economic Transformation Framework will accelerate service delivery, improve lives of our people and largely benefit local businesses and communities. These projects speak to the notion of "people-centred development". It is important that projects have economic strategies in place to draw previously excluded people into the economy.

We need to work together with all our stakeholders in our quest to improve the quality of life and to achieve our vision of making Durban the most caring and liveable City in Africa. The new dawn is upon us and this is a season of renewal, jobs and unity of our people.



Councillor Zandile Gumede
Mayor: eThekweni Municipality

MUNICIPAL MANAGER'S OVERVIEW

ANNUAL REPORT 2017/2018

The eThekweni Municipality has a proud record of always receiving an unqualified audit report and I am hoping that this financial year will be no different. It has certainly been a year of interesting dynamics, award winning achievements and halting challenges in some cases, but great service delivery to the people of eThekweni.

The City will always strive to improve the quality of life for residents and visitors alike as well as attract further investment to the City. To this end, the city has made a concerted effort to ensure service delivery to the poorest of the poor. The city has successfully electrified 103 358 indigent homes located in informal settlements through a robust Informal Settlement Electrification Programme. The Human Settlements Unit was once again recognized at the 2017 KZN Govan Mbeki awards as they delivered more than their targets.

Social housing units are delivered in partnership with Social Housing Institutions (SHIs), who control the construction programme. Two new social housing projects opened for occupation during 2017/2018. These two projects (Hamptons and Hilltop in Ward 65) add an additional 300 affordable rental opportunities for households whose combined income is between R3 500 and R15 000.

The gap housing programme has resolved some outstanding challenges which were preventing the issuing of certificates of occupation. This has enabled the reporting of units built in previous years as well as the houses built during 2017/18. Hence the target of 100 units for 2017/18 was exceeded, with 196 affordable housing opportunities created for the gap market.

In terms of incremental informal settlement upgrading, 6 299 households benefitted from the rollout of improved roads, footpaths and storm water control.

Urban Renewal

Urban renewal and regeneration of the Central Business Districts through targeted enforcement and a multidisciplinary approach has resulted in the city being cleaner. Daily operations targeting crime, grime, illegal trading, illegal businesses, bad buildings, and a host of other issues we are facing as a city is beginning to see results. I am sure we have ruffled a few feathers, but it must be noted that the city will no longer tolerate illegal activities that make our public and living spaces intolerable. We have a duty to ensure that the public realm is a safe, clean and pleasurable one for people to experience. We call on communities to ensure that they also play their role in ensuring that we achieve our vision of making eThekweni Africa's most caring and liveable city by 2030. This means that all inhabitants of eThekweni need to ensure that bylaws are upheld.

Development in the new wards incorporated into the eThekweni region during the last financial year has been prioritised as have the challenges of unemployment and lack of infrastructure which were highlighted by residents during community engagements. Employment will be created through the Expanded Public Works Programme (EPWP) and other developments taking place in the wards. We are a caring City and as such believe in engaging with the very communities we as civil servants are here to serve.

I am proud to report that our Integrated Development Plan remains one of the best in the country. This strategic plan gives guidance to the activities of the council in the delivery of services to our communities, and ensures that we do not waiver from our vision. This year we reviewed the 5 year plan which also takes into consideration global, national and provincial agendas. This review is essential to ensure effective service delivery and to drive strategic projects in the City to keep us on our path of being Africa's most caring and liveable city.

Our Budget and IDP consultation process was taken to all regions of the city to ensure that communities had an opportunity to provide comment and input. The budget for the 2017/2018 financial year was R44.5 billion, and it attempted to strike

a balance between on-going service delivery imperatives and responding to the developmental challenges confronting the City.

Empowerment

There are concerted efforts to ensure that emerging businesses benefit from the City's inclusive Radical Economic Transformation Framework (RETF) plan. This has been done by empowering and assisting them to identify and exploit available opportunities. We have hosted a number of empowerment workshops to advance local entrepreneurs. The Durban Business Fair is held regionally, which gives SMMEs an opportunities to showcase their work, to be empowered by conferences, demonstrations and partnerships with big business and to contribute meaningfully in the City's economy.

Attracting investment to the City

The Municipality investment in managing the CBD areas and key industrial nodes has raised business confidence in the city. This is indicative of a long-term vision in terms of sustainability.

Further, the eThekweni Municipality's Investment Promotion Strategy and Implementation Plan was rolled out with numerous engagements with investors being facilitated. The plan aims to facilitate sustainable investment in Durban through expansion, retention and aftercare of the existing multi-national investors, as well as targeted attractions for significant new foreign direct investment. With investment being identified as the cornerstone of economic growth, it is necessary to retain current investment and lure more foreign investment.

Anti - Corruption

This Municipality has adopted a zero tolerance stance to all forms of corruption, fraud and maladministration and has established numerous measures to prevent fraud and corruption in the city structures. These include the Municipal Public

Accounts committee and an Independent Audit Committee. A new Disciplinary committee and a black listing committee has also been formed to deter fraud and corruption.

The City Investigations Unit has completed 377 investigations over the last financial year. We have institutional mechanisms such as the City Integrity and Investigation Unit (CIU), the Municipal Public Accounts Committee (MPAC), the Ethics committee, and an independent Audit Committee which are in place to provide oversight of financial management and integrity of the Municipality. Legislation such as the Municipal Finance Management Act (MFMA) also applies and provides guidance. Anyone who transgresses good business principles with the City, be it a member of the Executive, an ordinary Councillor, any member of our staff or private companies trading with the City, will be dealt with to the extent of the full force of the law.

Our two entities the International Convention Centre and the uShaka Marine World have also performed well during the year. What is exciting is that the ICC and uShaka Marine World are led by women, and we are encouraged and more confident that women are excelling in their deployments. We have implemented a zero-tolerance approach to non-compliance and have placed an intense focus on and commitment towards good governance.

Challenges

The primary challenge has been work stoppages by 'business forums'. These stoppages compromise service delivery and budget spend. The main mitigation against this risk has been improving engagement with stakeholders and ensuring that all local stakeholders are aware of the project before the supply chain management (SCM) process begins so that they can participate in the competitive process.

The second challenge has been the poor performance of emerging contractors that have been employed for projects. The city has mitigated against this challenge by employing technical project managers to provide specialised support.

Other challenges faced by the city include rampant illegal dumping, that tarnishes the image of the City. Illegal water and electricity connections continue to be a blight with the city losing thousands of Rand in lost revenue, despite our efforts to provide water and sanitation services in informal areas, and electricity.

These connections are not only illegal, but are unsafe. The city will continue to work around the clock to ensure that this is addressed through intensified education campaigns and community engagements, which explain the hazards of such illegal connections.

Despite the challenges, the city has performed well over the 2017/2018 financial year.



City Manager: eThekweni Municipality
Siphon Nzuza

CHAPTER ONE: ETHEKWINI OVERVIEW

EThekweni Municipality is a Metropolitan Municipality in the South African province of KwaZulu-Natal. It is the largest City in the province and the third largest in the country with over 3 442 398 population (*Census 2011*). EThekweni Municipality is located on the east coast of South Africa in the Province of KwaZulu-Natal (KZN). The Municipality spans an area of approximately 2555km². It consists of a diverse society and it faces various social, economic, environmental and governance challenges

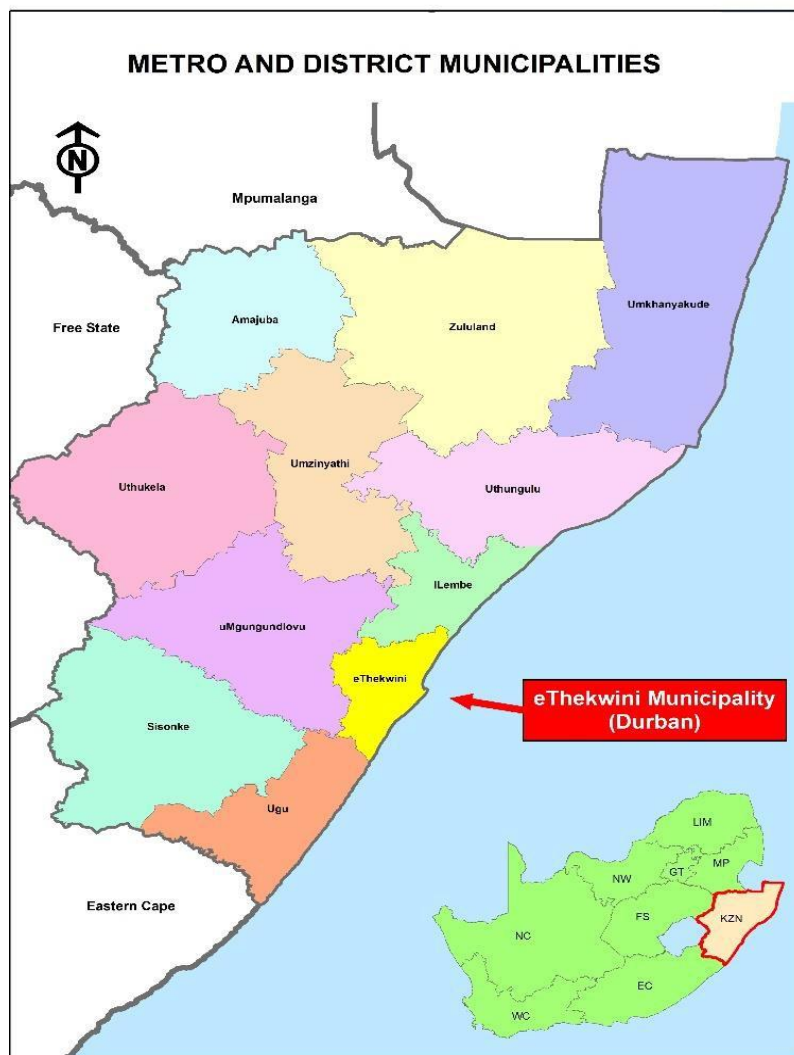


Figure 1: eThekweni spatial context

Source: Demarcation Board

The vision of eThekweni Municipality states that “by 2030 the eThekweni Municipality will enjoy the reputation of being Africa’s most liveable city where all citizens live in harmony”. The Vision will be achieved by growing its economy and meeting people’s need so that

all citizens enjoy a high quality of life with equal opportunities in a city that they are truly proud of.

1.1 SOCIO-ECONOMIC STATUS

In 2001 the population of eThekweni Municipality was 3.09 million and has grown at an average annual percentage of 1.13% per annum to reach 3.44 million in 2011 (*Statistics South Africa*, 2011). The next Census is scheduled for 2021. In order to provide the Metros population totals in the 10 years between the Censuses there are official 5-year short-term demographic forecasts for eThekweni Municipality which are undertaken by Statistics South Africa (*eThekweni IDP*, 2017/2018). The forecasts use the following demographic assumptions: fertility rate, life expectancy, mortality rates, HIV/AIDS and migration. The forecast in the table below indicates that the population of eThekweni will grow by 175 thousand between 2016 and 2020 when the population total will be 3.85 million.

	2016	2017	2018	2019	2020
Population Total	3,677,575	3,723,435	3,767,939	3,811,167	3,853,278

Table 1: Population Forecast: eThekweni - Source: Statistics South Africa

1.2 STATE OF THE GLOBAL AND LOCAL ECONOMY

The global economy during 2017 experienced accelerated trade growth, driven largely by cyclical improvements and a notable increase in investment in developed economies. The world GDP was \$75.5 trillion in 2016 and according to the International Monetary Fund forecast, it is forecasted at \$79.3 trillion in 2017. The top five contributors were the US, China, Japan, Germany and France which constitutes more than half of the gross world production.

According to Global Insight, the South African economy grew at 1.3% to R3.1 trillion between 2016 and 2017. This positive growth has mirrored the high global growth and aided locally by stabilising commodity prices, a more reliable electricity network, favourable weather conditions, recovering businesses and consumer confidence and

improved labour relations. This positive growth, however, is not high enough to reduce unemployment, poverty and inequality. Inclusive growth requires broad-based transformation to remove structural impediments that will provide access to economic opportunities for the greater population.

The number of unemployed people during 2017 was approximately 255,000 with the latest quarterly unemployment rate from Statistics South Africa recorded as 20.3% for eThekweni in the 1st Quarterly Labour Force Survey for 2018. The graph below shows that eThekweni had the 2nd lowest unemployment recorded and recorded the lowest growth in unemployment of 4.1% while Tshwane showed the biggest increase in unemployment of 8.9%.

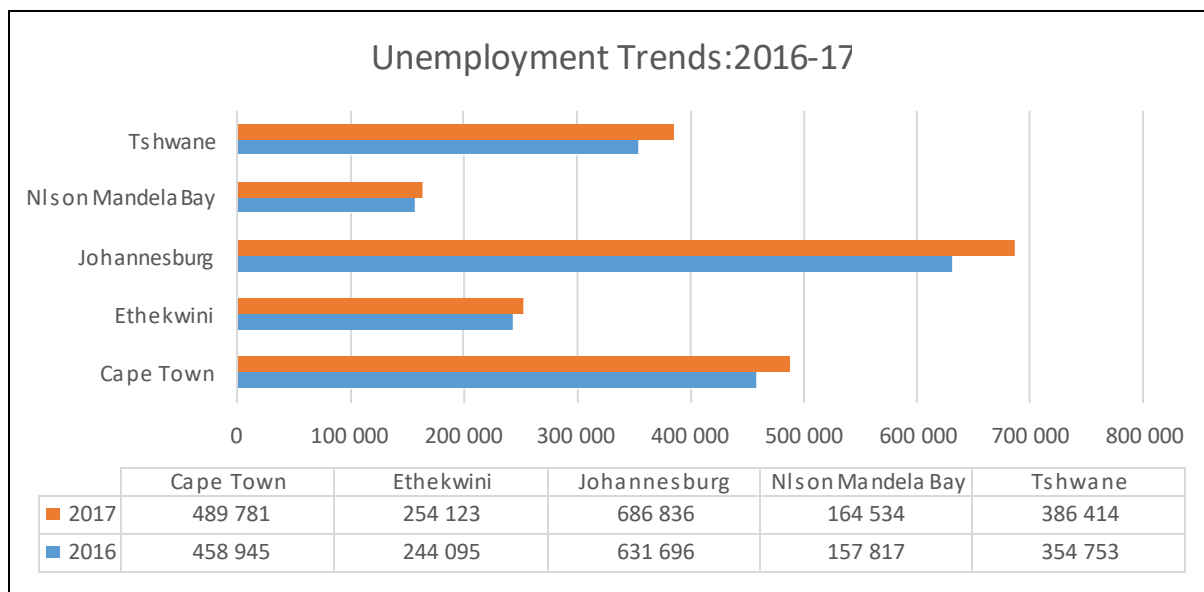


Figure 2: Unemployment Trend

- Source: Global Insight 2017

Real disposable income decreased by 4.2% between 2016 and 2017. There was a recorded decrease in disposable income for all race groups during the two years. This may be attributed to the rise in fuel and transport costs, together with families having to pay for accommodation and debt servicing.

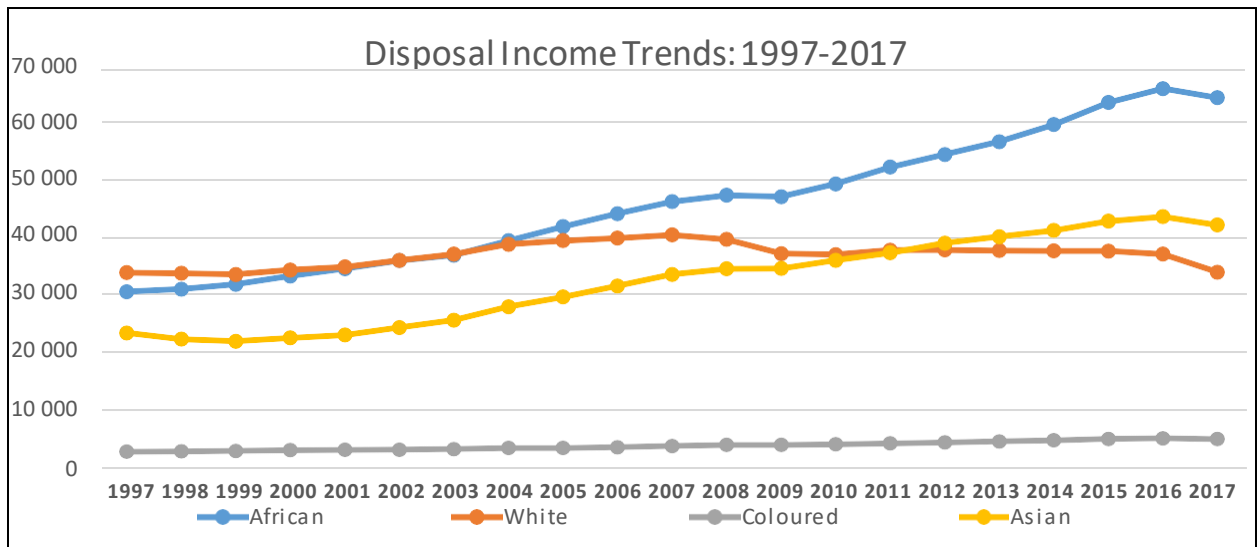


Figure 3: Disposable Income per race group 1997-2017 - Source: Global Insight 2017

Total household expenditure in eThekweni decreased by 0.5% between 2016 and 2017 at R236.5 billion. The majority of household expenditure was on taxes (13.7%), accommodation (13.6%), finance (7.2%), private transport (4.8%) and food (meat), (4.5%).

Total retail sales amounted to R74.1 billion in 2017, thereby moving up from R71.6 billion in 2016. The most retail sales were in perishables and processed products (38.1%), ladies/girls and infants clothing (9.8%), pharmaceuticals (8.7%), beverages (5.8%), inedible groceries (5.6%) and men's/boys' clothing (5.1%).

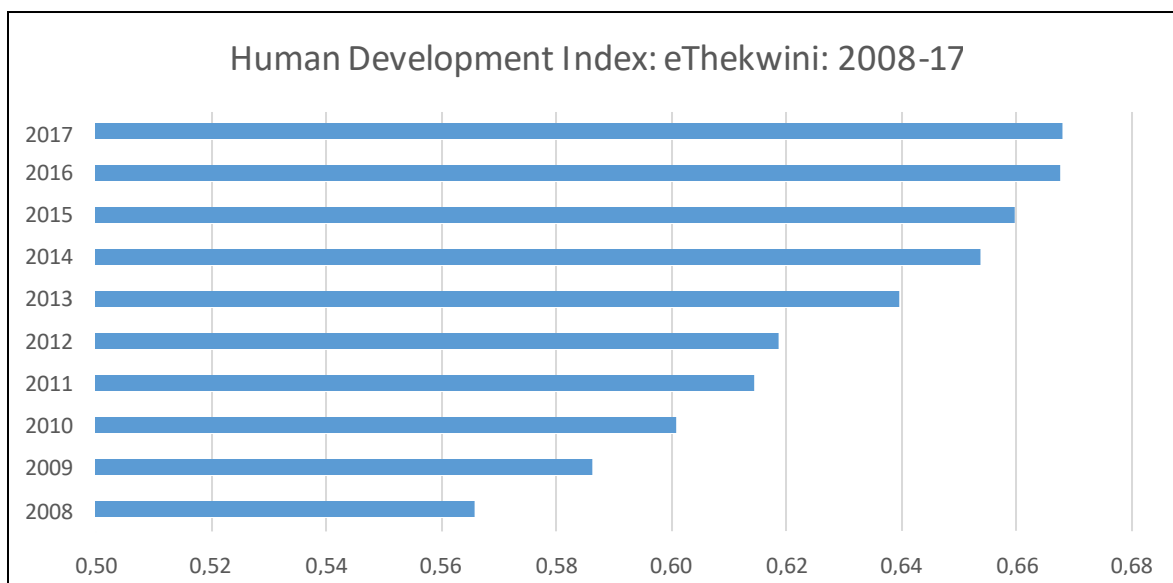


Figure 4: Human Development Index - Source: Global Insight 2017

The above graph compares the changes in the Human Development Index (HDI) for the eThekweni between 2016 and 2017 and also shows the trend since 2008. There was no change between the two years. The change was roughly similar for most of the major cities; however, eThekweni has the 5th lowest HDI in 2017 (0.67) when compared with (Cape Town 0.75, Johannesburg 0.73, Nelson Mandela Bay (0.68) and Tshwane 0.73). The HDI is a composite indicator of life expectancy, education and per capita income, and is used to rank countries' human development. Countries score high when the lifespan, education level and GDP per capital is high.

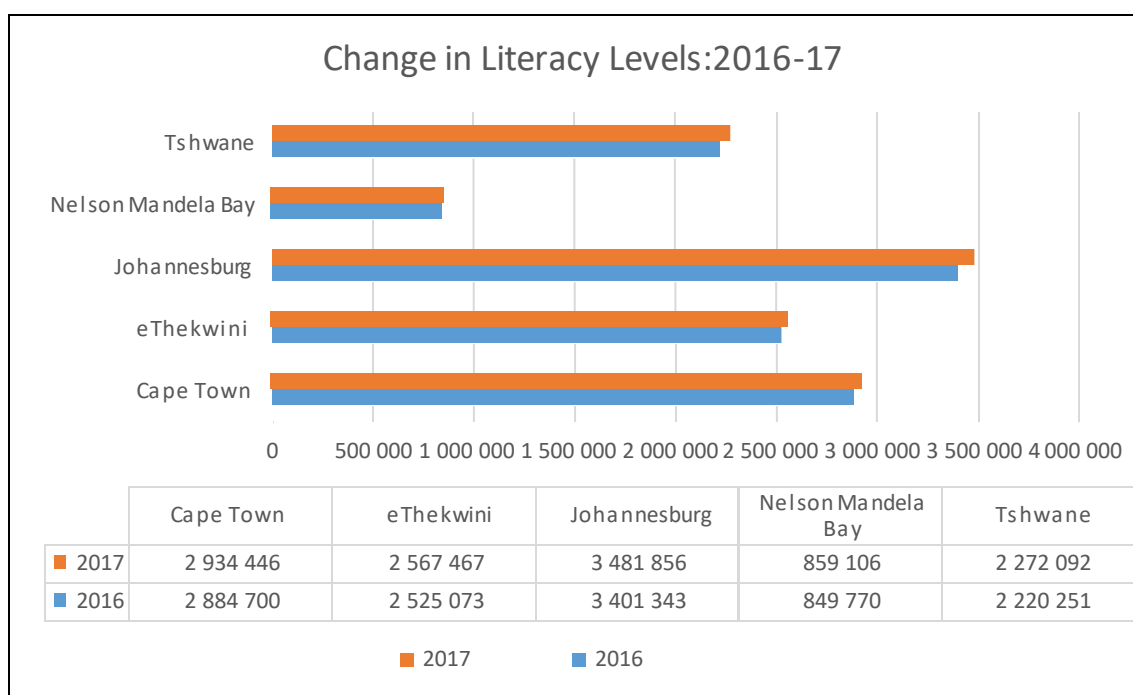


Figure 5: Change in literacy Levels

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Source: Global insight 2017

This graph compares the literacy levels - defined as the proportion of persons aged 20 and above that have completed Grade 7. Johannesburg leads with the highest number at approximately 3.5 million, Cape Town comes 2nd, followed by eThekweni. The biggest increase was Johannesburg (2.4%) followed by Tshwane (2.3%), Cape Town (1.7%) and then eThekweni (1.6%).

Figure 10 below shows the international trade trends from 2011 to 2017 for eThekweni. In this period, imports exceeded exports. EThekweni's exports comprised of 6.1% of national exports in 2017, and 9.6% of national imports. In eThekweni, imports have grown at a faster rate than exports during 2011-2017 (7.02% and 6.24% respectively). These indicate that the demand for commodities has persisted, despite the stabilising of commodity prices, especially during the last two years and may improve following the positive global growth during 2017.

Over 60% of all exports during 2017 were motor vehicles, parts and accessories and basic iron and steel. Almost 50% of imports considered of motor vehicles, parts and accessories and basic chemicals. The majority of exports were destined for African countries and the majority of imports were from Asia. The major export partners were Botswana, Namibia and the United Kingdom, while the top import partners were China, Japan and Thailand during 2017.

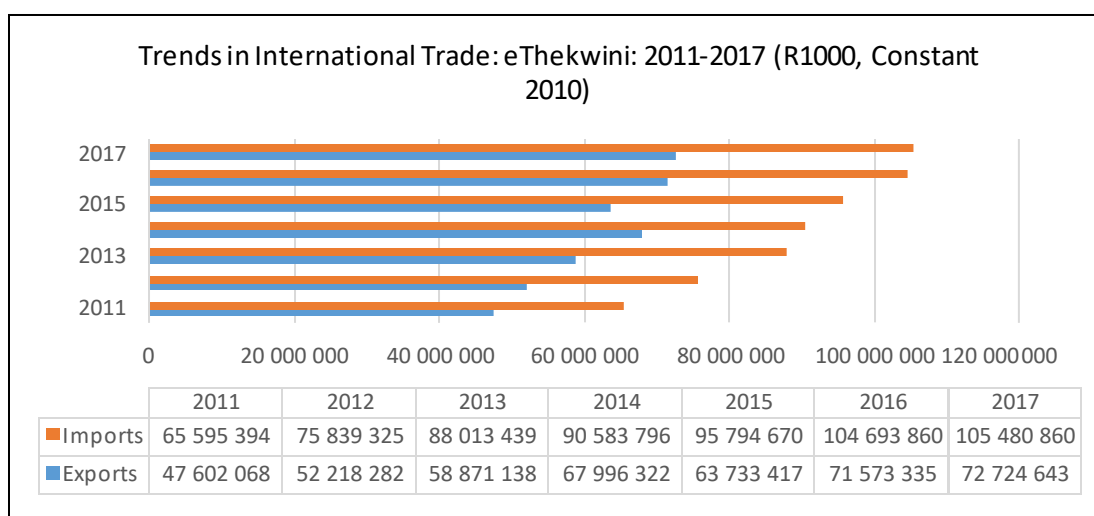


Figure 6: Trends in International trade - Source: Global Insight 2017

Trade movement from the major trading blocs are shown above for the eThekweni region during 2017. Movement within the major trade blocs show that the majority of exports are to the European Union (EU) (R19.8 billion) and South African Development Community (SADC) (R10.6 billion) while the most imports were from the Asia-Pacific Economic Cooperation (APEC) (63.2 billion), the EU at R19.6 billion and Mercosur (R6.5 billion) blocs. The main export partner remains the United Kingdom (UK), while the top

import partner was still APEC in 2017. Over 51% of eThekwini's imports come from China and Japan. Other trading partners include Germany, the United States, China and Spain. Chief exports are corn, diamonds, fruits, gold, metals and minerals, sugar, and wool.

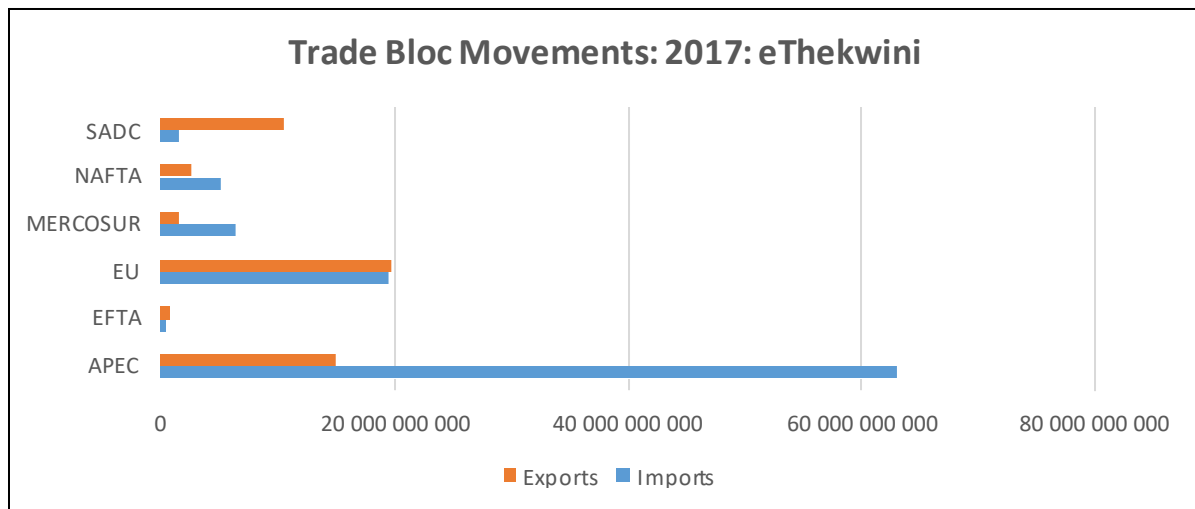


Figure 7: Trade Bloc Movements - Source Global Insight 2017

Figure 12 below shows the number of trips by purpose in eThekwini from 2011 to 2017. Tourism is a major contributor to the city's Gross Domestic Product (GDP). The main source of tourists – family/relatives and leisure/holiday declined by 14% and 9% respectively between 2016 and 2017. There were decreases in the other categories as well. This indicates that families are prioritising their essential needs such as transport, rent, food, health, education and the servicing of debt with little left for holidays.

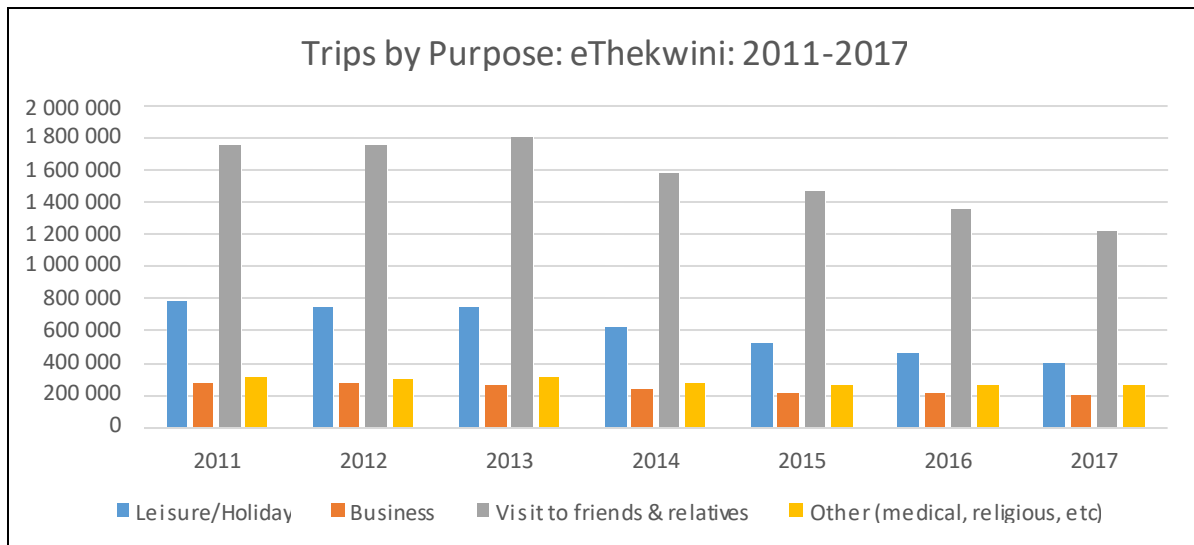


Figure 8: Number of trips by purpose of trip

Source: Global Insight 2017

The graph below reveals that there was 89% to 11% split between domestic and international total bed nights in 2017. Over the past 7 years, the number of domestic visitors averaged just over 2.4 million visitors while international averaged approximately 253 000. The compound annual growth rates for domestic and international visitors has decreased by 5.9% and 3.3% respectively.

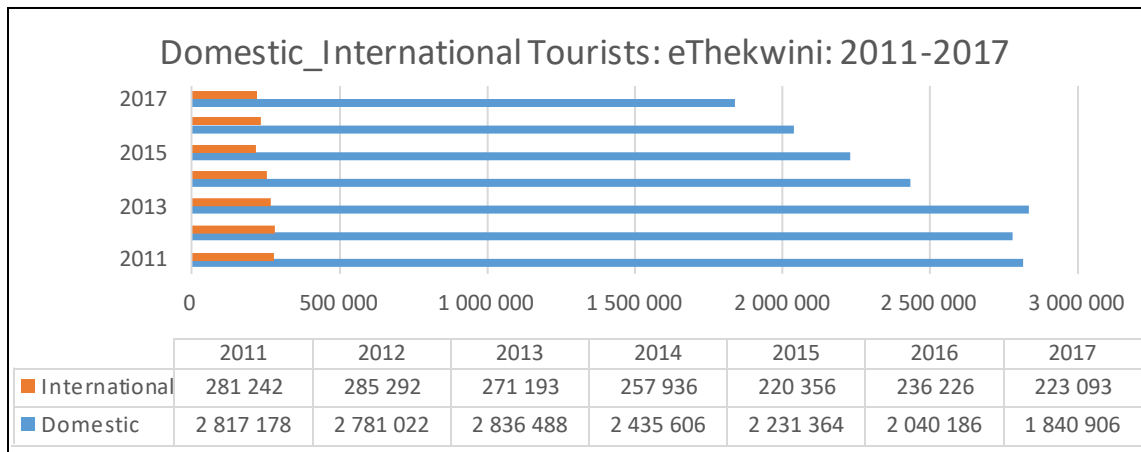
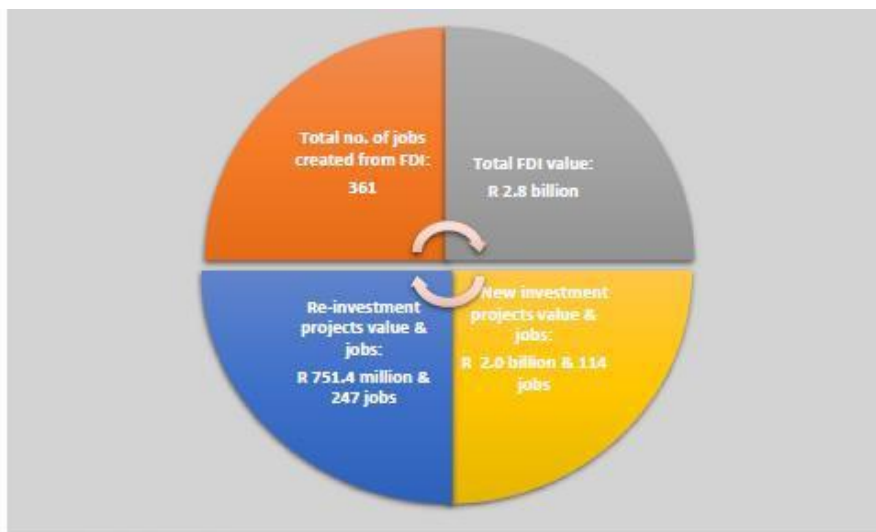


Figure 9: Domestic and International Tourists

Source: Global Insight 2017

The graph below illustrates the foreign direct investment projects in the eThekweni region during January to May 2018. These totalled an FDI value of R2.8 billion.



Source: fdi Market, 2018

NB: About 71% of foreign direct investments attracted to Durban are new investments.

Figure 10: FDI Market

FUTURE FOCUS FOR 18/19

Our future focus is to “Take Durban to The World” and share the facts around why Durban is Africa's ‘premier investment destination’. A succession of well-thought-out participation in key upcoming events will be implemented. A fact finding trip will be undertaken to the United States of America (USA) by end of August, in preparation for a Trade and Investment Mission next year. Attendance of the WAIPA World Investment Forum at the Invitation of Xiamen City, plus the World Routes (airline and airport) Conference in our Sister City of Guangzhou will be the focus of September 2018.

An October Follow-up to the UK Investors was recommended to Council as this will dovetail with the United Nation (UN) World Investment Forum in Geneva (22-26 October 2018) plus UK Investor Follow-ups were already secured on 28/29 October 2018 and return flight home on the BA Inaugural Direct Durban flight 29th October 2018 which is a key City achievement to facilitate British Airways direct flights to and from Durban to the UK markets for the first time. Invest Durban played the decisive role with Dube Trade Port's Route Development Committee Business Leadership to close this investment deal.

Following the success of the UK Mission it is recommended that a similar repeat UK Investment Mission led by our leadership to England be again undertaken again in the new financial year, in accordance with their summer season, that is, June 2019.

Activation of key proceedings are implementation of the significant 'Step-Change' called for in the Council-approved Durban Investment Promotion Strategy for the Invest Durban Unit.

Extensive effective alternate campaigning of the Invest Durban Unit brand is carried out via social media platforms and CNBC Africa coverage. Since November 2017 the presence of the Unit across the different social media platforms has increased dramatically and continues to do so. The impact has also resulted in the growth of Durban as a key business destination.

Project: Investment Promotion and Marketing

Key highlights for this financial year kicked off with the official launch of Invest Durban Unit as a brand of Business in Durban and the first-stop shop for Investors. The event was attended by over 150 politicians, business executives and foreign diplomats based in Durban.

As a continued campaign, investment marketing of our City and the Catalytic Projects were the aim of hosting the Foreign Diplomats in Cape Town followed by leading property event, SAPOA Annual Conference Exhibition held in Durban again after 3 years. Invest Durban Unit was the welcoming sponsor of the event.

Our flagship lead of the UK Investment Mission with senior government and business leadership was the biggest combined regional delegation ever to travel on an international investment roadshow. The aim was to strengthen ties and to targeting new significant investment flows, whilst deepening the International Governance and Relations via the bilateral investment drives into the City of Durban and the UK markets. The success of the event can be measured via 21 CNBC Africa & Europe TV coverage plus 80 meetings undertaken in 4 days.

There is an ongoing marketing of our City as an investment destination for data centres and shared data service centres. International investors from England, France and Germany have shown a keen interest in the City's infrastructure that can support this industry. In the past two years in Europe there has been a 40 – 60% growth of Information Communication Technology (ICT) sector in the digital sub-sector.

An English consulting company called Found digital DS has completed the scoping study on the 'Evaluation of the City of Durban's state of readiness (holistically) to secure Global Data Centres and Shared Services Centres for Invest Durban Unit. This included a gap analysis identifying what eThekwinI would need to do to enable the City to become global investor friendly for data centres. This is a world class value proposition for the City on how best to attract FDI into this sector. A series of workshops will be conducted on this value proposition with our key stakeholders on how to plug into the market gaps and best position the City for FDI into this sector. The development of this sector will assist the City in its quest to become a modern resilient smart city.

Company Name	Project Value	Completion Date	Investment Description
Mahindra Motors	R 95 million	July 2018	The Mahindra plant is operating at full capacity; the facility will be able to produce 4000 vehicles a year. This is massive investment which will not only improve economic development of the eThekwinI Municipality but Kwazulu-Natal and South Africa as a whole.
Momentum Group	R306 million	June 2017	Invest Durban Unit had engagements with BPESA to support the landing and building of MMI Cornubia Contact Centre, Cornubia Business Hub.
Yangtze Optics Africa Cable (YOAC)	R150 million	November 2016	Manufacturing facility has enabled job creations within the eThekwinI Municipality local communities and in the process has promoted skills development.
British Airways	Return fares from Durban will start from R11 679.	October 2018	The investment and trade opportunities presented by this direct flight between Durban and London will undoubtedly add value to the economy of the eThekwinI Municipality and will increase the number of investors who come to Durban for Investment propositions.

Table 2: FDI Projects landed in eThekwinI Municipality

CHAPTER TWO: CITY GOVERNANCE

2.1 INTRODUCTION

Political leaders and the heads of administration have a leadership responsibility and are accountable for ensuring good governance in their Municipalities. Some of the principles of good governance that eThekweni Municipality has demonstrated compliance with are:

Accountability

Accountability is a fundamental requirement of good governance. The Municipality has an obligation to report, explain and be answerable for the consequences of decisions it has made on behalf of the community it represents. . EThekweni Municipality has fulfilled this principle through public consultation on Integrated Development Planning and budgeting matters, amongst other things. The Municipality has also consulted members of the public on policy matters and has reported on the performance of the Municipality.

Transparency

People should be able to follow and understand the decision-making process. This means that the Municipality will be able to clearly see how and why a decision was made – what information, advice and consultation Council considered, and which legislative requirements (when relevant) Council followed. EThekweni Municipal Council meetings are open to the Media. As such, some of the deliberations at the Executive Committee and Council are also captured in the local newspapers.

Rule of Law

This means that decisions are consistent with relevant legislation and are within the powers of Council. EThekweni Municipal Council functions within the parameters of the applicable legislative prescripts. These include the Local Government: Municipal Structures Act No. 117 of 1998; Local Government: Municipal Systems Act No. 32 of 2000; Municipal Finance Management Act No. 56 of 2003, amongst others.

Responsiveness

Local government should always strive to serve the needs of the entire community while balancing competing interests in a timely, appropriate and responsive manner. The core purpose of eThekweni Municipality is to provide services and this has been achieved and has been reported on by the service delivery units of the Municipality in the other sections of this Annual Report.

Equity and inclusiveness

A community's wellbeing results from all of its members feeling their interests have been considered by Council in the decision-making processes. EThekweni Municipality is biased towards promoting the interests of women; youth; and people with disabilities in particular. Dedicated programmes have been implemented in this regard and a platform has been created to also create job opportunities for vulnerable groups.

Effectiveness and Efficiency

Local government should implement decisions and follow processes that make the best use of the available people, resources and time to ensure the best possible results for their community. EThekweni Municipality has a dedicated Unit to oversee implementation of its programmes and plans. Reports have been submitted to Council and the Provincial Department of Co-operative Governance and Traditional Affairs on the performance of the Municipality.

Participation

Anyone affected by or interested in a decision should have the opportunity to participate in the process of making that decision. This can happen in several ways: Community members may be provided with information, asked for their opinion, given the opportunity to make recommendations or, in some cases, be part of the actual decision-making process. This includes contribution into the IDP and budget process. Input received has been incorporated in the future programmes and plans of the Municipality.

2.2 POLITICAL GOVERNANCE

2.2.1 ETHEKWINI MUNICIPAL COUNCIL

The eThekweni Municipal Council took office in August 2016. This is an African National Congress (ANC) led 'Category **A**' Municipality, functioning under a Collective Executive System combined with a Ward Participatory System. EThekweni Municipality is strategically important to the Province of KwaZulu-Natal in terms of promoting economic growth. It has therefore increasingly explored strategic factors to achieve competitive advantage over its counterparts, locally and internationally.

The Municipality in its operations has recognised its responsibility, as the sphere closest to communities, to provide sustainable service delivery to its residents. Therefore, the Municipal Council's focus has been the provision of effective strategic direction to place service delivery at the centre of its operations. This was to enable the Municipality to achieve its founding mandate, as enshrined in Section 152 of the Constitution of the Republic of South Africa.

The eThekweni Municipal Council is the final decision-making body, to position eThekweni as a leading destination, with respect to service delivery and economic growth. The eThekweni Municipal Council comprises one hundred and ten (110) Wards. In terms of political leadership, the Municipality comprises two hundred and nineteen (219) Councillors, 110 of which are ward Councillors, and 109 being proportional representative Councillors.

The Municipality also incorporates participation by Traditional Leaders as per the requirement of Section 81 of the Local Government: Municipal Structures Act No. 117 of 1998. As such, sixteen (16) Traditional Leaders serve at eThekweni Municipal Council as having been appointed by the MEC for Co-operative Governance & Traditional Affairs. The Municipality has also established one hundred and ten (110) Ward Committees as part of promoting participatory governance. The establishment and functioning is in line with the provision of Section 79 of the Local Government: Municipal Structures Act No. 117 of 1998 as well as Section 16 of the Local Government: Municipal Systems Act No. 32 of 2000.

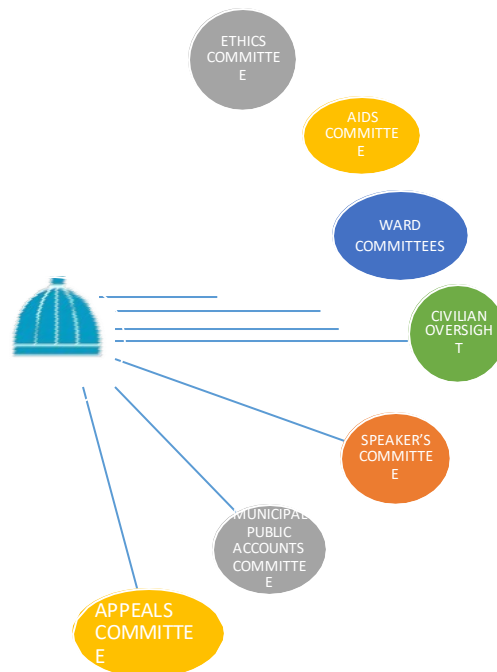


Figure 11: Council 'statutory and section 79 committees

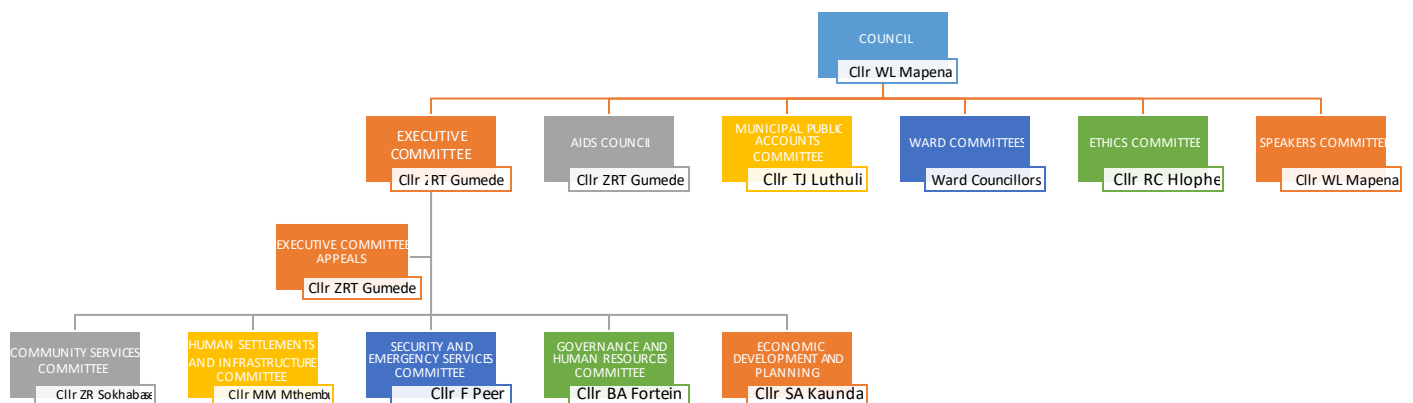


Figure 12: eThekweni Municipal Council

The diagram above depicts the Statutory Committees of Council as well as Committees established in terms of Section 79 of the Local Government: Municipal Structures Act No. 117 of 1998 to support the operations of Council. The eThekweni Municipal Council has established Committees to serve as a vehicle for delivery of its Constitutional mandate. Appendix B, included under the appendices section, provides greater detail on the Committee purpose and functions. Included therein is also the number of meetings held

Like any other organisation, good corporate governance remains at the centre of eThekwini Municipality's operations. Hence, deliberations, decisions and actions of the eThekwini Municipal Council have been based on ethical values underpinning good corporate governance, namely, responsibility; accountability; fairness; and transparency.

Ward committees

The eThekwini Municipal Council has established Committees to serve as a vehicle for delivery of its Constitutional mandate. Appendix B, included under the appendices section, provides greater detail on the Committee purpose and functions. Included therein is also the number of meetings held.

2.2.3 COMMITTEE FUNCTIONALITY

EThekwini Municipal Council Meeting

Chairperson: EThekwini Municipal Council Speaker, Councillor Mapena

In terms of Section 18(2) of the Local Government: Municipal Structures Act, No. 117 of 1998, the Municipal Council must meet at least quarterly. However, on its Rules of Order Bylaw, the eThekwini Municipal Council has formalised the arrangement to convene meetings on a monthly basis. During the financial year under review, the Municipal Council convened a number of thirteen (13) meetings to deliberate on recommendations submitted by the Executive Committee Committees reporting directly to Council.

EThekwini Municipal Council has fulfilled its mandate by considering and approving the following key documents for the Municipality:

- The Budget 2018/2019-2019/2020 Medium Term Revenue Expenditure Framework;
- The Integrated Development Plan 2018/2019;
- The Municipal Spatial Development Framework 2018/2019;
- The Built Environment Performance Plan 2018/2019;
- Approval to raise capital projects loan; and
- Setting new tariffs for Municipal services in the 2018/19 financial year.

The above documents determine the strategic direction of the Municipality. The implementation thereof will be biased towards meeting legitimate interests and expectations of the local community and also create stakeholder value.

The eThekweni Municipal Council operates under sound governance principles, hence, its oversight role has contributed to the Municipality receiving an unqualified audit report for the 2016/2017 financial year. The Municipality is geared to strengthening broader policy framework to create an enabling environment for effective service delivery and the overall performance of the Municipality. The intention is to ensure necessary alignment with applicable legislations and regulations to achieve clean governance and administration.

Key Achievements by eThekweni Municipal Council

In addition to Council approval on matters informed by the legislative requirement, listed below are synopsis of other key matters deliberated upon and approved by eThekweni Municipal Council to position the City of eThekweni as a leading destination within the Province of KwaZulu-Natal:

- Provision of responses to questions raised by politicians on a monthly basis on service delivery matters;
- Approval to host the 2019 edition of the United Cities and Local Government, the largest and most influential Local and Regional world leaders and global gathering of Mayors; Councillors; Local Government and Development partners.
- Approval of the Inner City Regeneration Implementation Programme;
- Establishment of a Municipal Entity to manage the Durban Transport Bus Service;
- Hosting of the Summit for Traditional Healers and Complementary Medical Practitioners;
- Vigorous Plans to Attract Investors to eThekweni;
- Approval of financial support for Non-Profit Organisations with Memoranda of Agreements with the Municipality and financial support in response to ad hoc applications received by the Municipality;

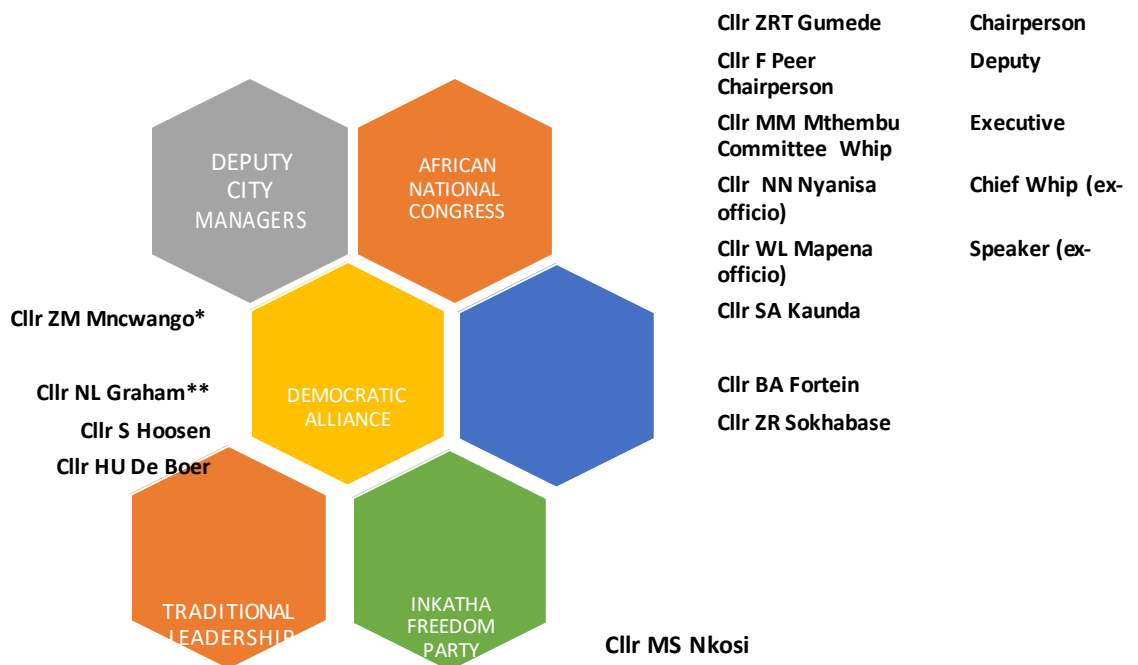
- Appointment of a City Planning Commission to provide expert advice on key strategic matters to impact the vision of the City;
- Hosting of the inaugural Radical Economic Transformation Conference and Expo in 2017; and
- Quarterly Audit Committee Reports in relation to financial and performance information concerning the eThekweni Municipality

2.2.4 POLITICAL STRUCTURE

The Council Committee structure comprising political leadership is attached herein. This is summarised as follows:

Her Worship the Mayor	:	Councillor Zandile Ruth Thelma Gumede
Deputy Mayor	:	Councillor Fawzia Peer
Speaker	:	Councillor William Lekgoa Mapena
Chief Whip	:	Councillor Nelisiwe Nesta Nyanisa

2.2.4.1 Executive Committee



*Until 1 March 2018, **From 26 April 2018

Figure 13: Executive Committee

The Executive Committee (EXCO) of eThekweni Municipality is properly constituted to involve parties and interests as represented in the Municipal Council. As per the diagram above, EXCO members were drawn from the majority African National Congress and its members serve as Chairpersons of Support Committees. The other members are from the opposition parties, namely, the Democratic Alliance (DA) and the Inkatha Freedom Party (IFP).

As the Principal Committee of Council, EXCO has guided the Council to effectively oversight role over the municipal functions, programmes and the management of the administration. EXCO being assisted by the oversight role of the Support Committee Chairpersons, in line with Municipal Clusters falling under their jurisdiction, has critically analysed reports and made informed recommendations to Council.

While representing different interests, the parties have acted as a collective to drive the operations of Council. EXCO has been instrumental in supporting the eThekweni Municipal Council. As such, Council has been able to fulfil the objectives of Local Government.

eThekweni Municipal Council Political Parties

The eThekweni Municipal Council is comprised of 12 political parties and four independent representatives. The African National Congress holds a 58% majority with the other parties sharing 42% as indicated below:

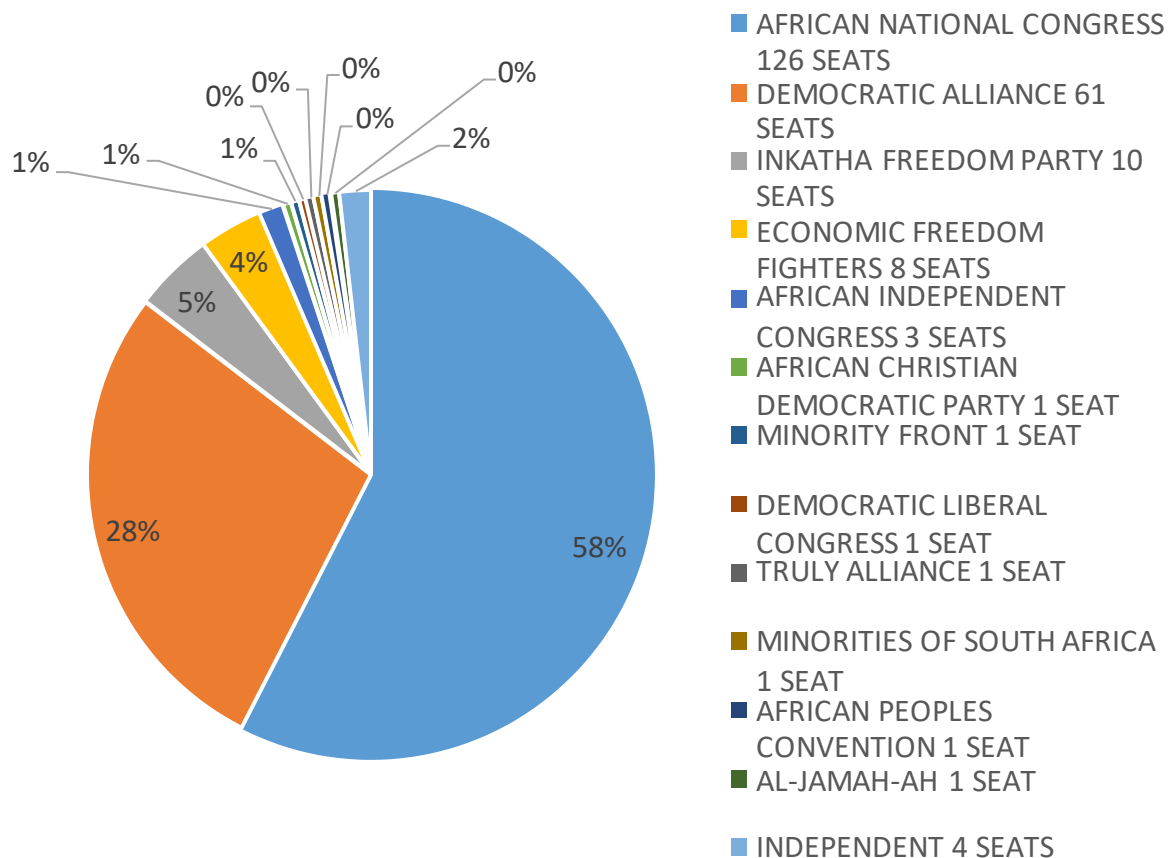


Figure 14: *Municipal Council Political Parties*

NO.	PARTY NAME	WARD SEATS	PR SEATS	LIST	TOTAL
1.	African National Congress	74	52		126
2.	Democratic Alliance	30	31		61
3.	Inkatha Freedom Party	2	8		10
4.	Economic Freedom Fighters	0	8		8
5.	African Independent Congress	0	3		3
6.	African Christian Democratic Party	0	1		1
7.	Minority Front	0	1		1
8.	Democratic Liberal Congress	0	1		1
9.	Truly Alliance	0	1		1
10.	Minorities Of South Africa	0	1		1
11.	African Peoples Convention	0	1		1
12.	AL JAMAH-AH	0	1		1
13.	Independent	4	0		4
	TOTAL SEATS	110	109		219

Table 3: *Executive Council*

2.3 ADMINISTRATIVE GOVERNANCE

Political structures are assisted by the administrative leadership to play their oversight role. The Municipal Manager is the head of administration and his duties are outlined in Section 55 of the Local Government: Municipal Systems Act No. 32 of 2000. The Municipal Manager is supported by Managers appointed in terms of Section 56 of the Local Government: Municipal Systems Act No. 32 of 2000. The table below reflects officials who are responsible for supporting the political administration for the Municipality, in order to achieve its Constitutional mandate:

No.	Official Name	Designation	Cluster	Oversight Committee
1.	Sipho Nzuza	City Manager	Office of the City Manager	Executive Committee
2.	Sipho Cele	Deputy City Manager: Governance & International Relations	Governance & International Relations	Governance & Human Resources Community Services
3.	Krish Kumar	Deputy City Manager: Finance	Finance	Executive Committee
4.	Dumisile Nene	Deputy City Manager: Human Resources	Corporate and Human Resources	Governance & Human Resources
5.	Martin Xaba (until 31 May 2018) Dumisani Bhengu (from 1 June 2018)	Acting Deputy City Manager: Community & Emergency Services	Community & Emergency Services	Security & Emergency Services Community Services
6.	Philip Sithole	Deputy City Manager: Economic Development & Planning	Economic Development & Planning	Economic Development & Planning
7.	Philemon Mashoko	Deputy City Manager: Trading Services	Trading Services	Human Settlements and Infrastructure
8.	Beryl Mphakathi	Deputy City Manager: Engineering, Human Settlements & Transport	Engineering, Human Settlements & Transport	Human Settlements and Infrastructure

Table 4: Administrative governance

2.3.1 INTEGRATED DEVELOPMENT PLAN (IDP)

The IDP serves as a tool for transforming local government towards facilitation and management of development within their areas of jurisdiction. The Municipal Systems Act No.32 of 2000 requires that local municipal structures prepare Integrated Development Plans. The MSA identifies the IDP as a key component in entrenching developmental local government principles.

Objectives

- a) The objective of the IDP team is to ensure that line departments contribute to the development of the IDP.

- b) To ensure that this process occurs, the IDP team facilitates and co-ordinates these inputs into the IDP for council approval. Whilst the IDP is developed and facilitated by the IDP team, the strategy is mutually owned by each line department.

Functions

An important aspect of the IDP compilation process is to ensure that the public is consulted. The development and production of the IDP is managed internally through a structured and coordinated participation process. As such, the Municipality embarked on an extensive public participation process of the Budget, IDP and the Performance Measures. This was achieved through a process of ward based meetings, regional meetings, A targeted presentation to sectors, sessions with the Traditional Leaders, A dedicated presentation to the Durban Chamber of Commerce and a request for comments via social and print media.

2017/2018 KEY PRIORITY PROGRAMME/PROJECT

The key priority for the IDP team in the 2017/2018 financial year was to improve the alignment of the Budget, Performance Information, IDP, Spatial Development Framework (SDF) and the Built Environment Performance Plan (BEPP). A further requirement from National Treasury was to implement the Municipal Standard Chart of Accounts (MSCOA) budgeting and reporting reforms.

The alignment of these strategic processes was of utmost importance in that it provided a foundation for the development of the new 5 year IDP which started in 2017/18. The 2017/18 IDP has also been influenced by strategic planning processes such as the City Planning Commission and the 100 Resilient Cities program.

These studies are still to be completed, however, key informants from these studies have been incorporated into the IDP. The 2017/18 financial year also provided an opportunity for the IDP to be more reflective of overall sustainability. The Sustainable Development Goals, New Urban Agenda, the Paris Agreement on Climate Change and other key global sustainability frameworks have also been incorporated into the IDP.

Successes

- The eThekweni Municipality 2017/2018 IDP was rated as one of the top IDP's amongst the 61 KZN municipalities by the MEC: COGTA Award, for producing an IDP that has remained in the top 10 IDP's in KZN for 10 consecutive years.
- The Municipality also received MEC Awards of recognition for IDP Key Performance Areas in 2017/18 in the areas of Municipal Financial Management.

2.3.2 ETHEKWINI MUNICIPALITY AUDIT AND RISK ASSURANCE SERVICES (EMARAS)

Internal Audit is a governance function that provides independent and objective assurance as well as consulting services, designed to add value and improve municipal operations, in line with *Section 165* of the MFMA.

The Unit consists of two departments that are part of the second line of defence,

- Enterprise Risk Management and Advisory Services (ERM), whose objective is to facilitate the embedding of risk management policies and framework throughout the Municipality and its' entities, as outlined in *S62(1c) of MFMA*. It also provides a structured approach used to proactively manage uncertainties linked to the strategic objectives of the Municipality and its entities.; and
- Business Continuity Management (BCM) department has practitioners who assist management in the implementation of the program, in support of building continuity capability and safeguard the critical operations of the Municipality from the impact that may result from disruptions.

The performance targets for the Unit for 2017-18 were achieved successfully, though the Unit experienced a change in leadership.

There is pleasing continuous professional development and healthy relationships that have been maintained by the Unit with various professional bodies such as the Institute of Internal Auditors (IIA), Institute of Risk Management (IRMSA) and Information Systems Audit and Control Association (ISACA) to enhance and complement the talent and skillset of staff within the Unit.

Internal Audit

Council approved the establishment of the Audit Committee per legislation as well as the Internal Audit and Audit Committee Charters.

The term of the Audit Committee members came to an end in May 2018, and the Municipality appreciated the positive contribution that they added as a Council Oversight Committee in promoting sound governance of the Municipality and its' entities, and in promoting an effective internal control environment.

A risk based Internal Audit Plan for 2017-18 was developed to provide assurance on the control environment of the Municipality and its' entities, the results of which were discussed with management on an ongoing basis, and quarterly to the Audit Committee, as the oversight structure.

The Unit initiated the implementation of a Combined Assurance model through the development of the framework as well as through engaging all involved role players, to streamline and collaborate their value add contributions to operations of the Municipality.

The Unit was able to successfully utilise an Audit system, Metric Stream for reporting on the Audit of Performance Information (AOPI). All staff were trained extensively on understanding the audit system as an enabler to optimise efficiency of audit process.

Enterprise Risk Management

A new Risk Governance Document consisting of the reviewed ERM policy, framework, strategy and plan was also approved by Council. There are plans to hold a municipal-wide risk management Indaba/Seminar to create awareness of the approved policy and framework as well as to promote a positive risk culture and to promote risk intelligence in all municipal employees.

The activities to enhance the maturity of risk were implemented based on an annual ERM plan approved by the Audit Committee.

The strategic risk profile for 2017-18 had 10 risks which were monitored and managed on an ongoing basis through various risk governance structures. Operational risk profiles were also developed at cluster and unit levels. The Municipality reviews its profile and identifies emerging, materialised risks and opportunities that may be seized on an ongoing basis.

The ERM Team was nominated by IRMSA for national Public/Government Sector Risk Category, which is a positive indication of value being realised from risk management initiatives, and acknowledgement at industry level.

Business Continuity Management

The pace of BCM implementation is improving despite the resource constraints that are not optimal to assist the Municipality and its' operations to respond satisfactorily to possible vulnerabilities from disruptions.

There is an annual BCM Plan which outlines activities that were implemented to assist the Municipality in building resilient strategies that will ensure continuity of critical processes, and it was monitored by the Audit Committee.

FOCUS AREAS FOR 2018-19

- Utilisation of the automated Audit System holistically for implementation of methodology and reporting;
- Development of risk appetite and tolerances;
- Initiation of the process to prepare the Unit for external quality review/assessment;
- Review and approval of BCM Policy and framework; and
- Implementation of the Combined Assurance Plan

2.3.3 CITY INTEGRITY AND INVESTIGATIONS UNIT (CIU)

The City Integrity and Investigations Unit is responsible for the implementation of the Municipality's fraud prevention strategy which is based on the four pillars as recognised by both the National and Provincial Anti-Corruption Strategies namely: prevention, detection, investigation and resolution. Under the prevention pillar the CIU conducted 74 internal presentations and 102 external presentations dealing with ethics, anti-corruption training and awareness. The internal presentations included staff and councillors. The

external presentations targeted the local communities, service providers. More awareness campaigns included radio talks and newspaper articles

EThekweni Municipality is proud to be one of the first municipalities to establish an external Disciplinary Board in terms of the Public Finance Management Regulations. This board ensures that consequences of misconduct are dealt with vigorously and that a zero-tolerance approach to fraud and corruption is maintained. The Municipality has a fraud hotline operated by an external service provider to enable members of the public and staff to report anonymously any improper conduct in the affairs of the Municipality.

CATEGORY	CASES B/F	NEW	TOTAL	FINALISED	IN PROGRESS
Ombudsman (Service Delivery)	490	97	587	123	464
Forensic Investigations	565	298	863	192	671
Conflict Of Interest	258	15	273	185	88
Infrastructure Theft	30	203	233	6	227

Table 5: Breakdown of cases

2017/18 KEY PRIORITY PROGRAMMES/PROJECTS

Three hundred and seventy seven (377) fraud investigations were completed during the year. Four hundred and twenty-two (422) service delivery disputes were resolved. The CIU is currently investigating theft to infrastructure of illegal electricity connections. In commemoration of the International Fraud Week the Municipality hosted a successful anti-fraud seminar attended by delegates from all over the KZN province. In March 2018 an event was held in commemoration of the Human Rights Day.

2.3.4 COMMUNICATIONS

The Communications Unit is tasked with the responsibility of communicating the programmes and policies of the Municipality. The Unit provides strategic direction for interaction with stakeholders, promotes the work of the Municipality, and protects the image of the City.

The Unit aims to promote the work of the Municipality, and to protect the image of the City. To achieve this, the Unit engages in various communication and marketing strategies at multiple levels. The Unit's purpose is to build awareness of the Municipality's programmes and to foster active stakeholder involvement in municipal governance processes.

The Unit provides strategic direction for interaction with stakeholders. The work of the Unit is informed by the Municipal Communications Policy, which centralises the communications function in the Communications Unit. The work of the Unit is further informed by the Municipal Integrated Communication strategy.

MUNICIPAL COMMUNICATION PLATFORMS

Social media tools

The Municipality uses social media platforms, as part of its communication tool offering, to communicate with citizens. The Communications Unit is the custodian of the Municipal social media accounts. The Unit maintains the Municipal social media accounts by implementing daily posts and responding to service delivery and general information about municipal services. The Unit maintains the following Municipal social media accounts:

- ✓ Facebook : <https://www.facebook.com/eThekwiniM>
- ✓ Twitter : <https://www.com/eThekwiniM>
- ✓ LinkedIn : <https://www.linkedin.com/company/ethekwini-municipality/>
- ✓ Instagram : <https://www.intagram.com/ethekwini.municipality/>
- ✓ YouTube : <https://www.youtube.com/user/eThekwiniMuni>

In December 2017, the Unit put in place a strategy to drive municipal social media platforms aggressively, to improve turnaround time for customer complaints and enquiries as well as boost posts to improve reach. This was as a result of municipal social media pages being swamped by negative publicity with customer complaints. The strategy has started to yield positive results. This has been demonstrated by the general tone of the majority of the Municipality's followers which has moved from negative to neutral sentiments, audience comparison between December 2017 and February 2018 has shown a sharp increase in followership. The chart below shows social media audience comparisons between the 2016-17 and 2017-18 financial years.

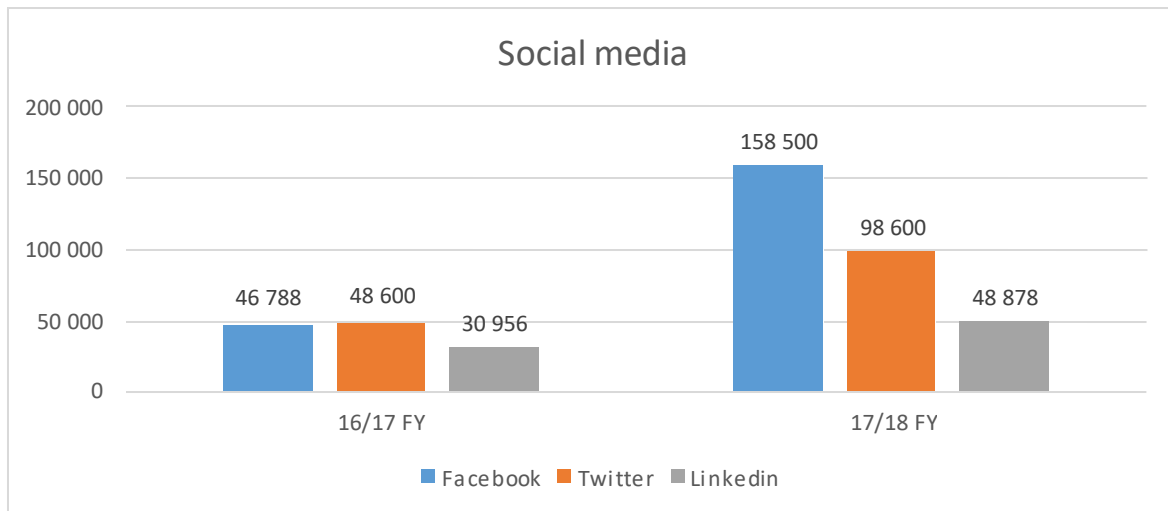


Figure 15: Social Media

Workplace Staff Magazine

As part of the strategy to engage employees and to foster a culture of brand ambassadorship, the Unit is publishing *The Workplace Magazine*. The magazine creates awareness and understanding among staff of municipal programmes and policies. In the period under review, the Unit produced 11 editions of *The Workplace Magazine*. The magazine is distributed in the municipal offices.

EThekwini Weekly Bulletin

Ethekwini Weekly Bulletin is an external newsletter tailor-made communication tool that enables the City to connect with its stakeholders and prospective partners. The Bulletin is an informative read that contains information on all the City's upcoming projects, upcoming events and decisions taken by Council committees. The Bulletin is sent out every Monday capturing the week's events and the last page lists major upcoming events. In the period under review, the Unit issued 44 editions.

Radio Programme

Radio is one of the City's main communication tools to get service delivery messages across to residents. The Municipality uses mainstream and community radios to convey important information as part of the communication process between the Municipality and its communities. The Municipality's Communications Unit purchases radio airtime for interviews.

Priority for radio interviews is mainly given to office bearers, including the Mayor, Deputy Mayor, Speaker, Whip and Chairpersons of Committees. The programme provides office bearers a platform to engage directly with residents on Municipal plans and programmes and to listen to their complaints.

Website

The website is the main electronic communication platform for the Municipality to communicate with residents. In the period under review, the following can be reported:

- The updated website continues to ensure that the public has access to the latest information;
- Improvement in the usage of the website included adding some easy to access quick links on the homepage as and when major projects go live;
- Usage statistic for the website increased from 1 637 450 with page views of 1 220 125 in the financial year; and
- Prominent posting included Public notices, Council decisions, Media releases, Ezasegasini Metro newspaper, Vacancies and online tools.

Newsflash

The Newsflash is one of the Municipality's internal communication tools to disseminate information to staff members. The Unit produces daily Newsflashes to inform staff members about decisions and developments. The platform is part of the Unit's strategy which focuses on enhancing internal engagement to cultivate a culture of engaged and committed brand ambassadors.

Media monitoring

This financial year generally saw a marked improvement in the media coverage of the Municipality, although the Municipality still has a high number of negative stories. This year also saw a shift in terms of reporting, whereby positive reporting was dominant compared to the past financial years.

Some negative stories may include those that the Municipality may have no direct control over, including land invasions, fires that broke out in informal settlements and theft of cables and illegal connections of water and electricity.

2.3.5 SIZAKALA CUSTOMER SERVICES

The Sizakala Customer Service Unit currently runs 36 customer service centres, one mobile centre and a customer contact centre dealing with complaints and service requests. The Unit is dedicated to the attainment of one specific outcome, namely, customer satisfaction. The following are the core outputs for the Unit:

- Integrated customer Services;
- Improved customer care; and
- Good governance.

The strategic objective of Sizakala Customer Service Unit is to ensure customer service excellence and provision of accessible and effective customer services through implementation of the Customer Relations Management Strategy (CRMS) and Customer Relations Policy (CRP) in the Municipality, in accordance with Batho Pele Principles.

2017/18 KEY PRIORITY PROGRAMMES/PROJECTS

As part of a Strategic Focus Area to ensure accessibility and to promote governance in the IDP, the Unit aimed at ensuring organizational responsiveness to customer needs, and it set itself the following priority area:-

- Implementation of Customer Relations Management Strategy and Customer Relations Management Policy which entails the following programmes and projects: -
 - A Municipality-wide customer satisfaction programme;
 - A Mystery Shopper Programme;
 - A customer satisfaction survey;
 - A Municipality-wide customer-care training;
 - A Municipality-wide customer service standards and customer service charter;
 - Developing and implementing an integrated Municipality-wide Complaints Management System;

- Improving complaints management through the use of the presidential hot line, the Sizakala toll free line as well as outreach programmes like Masakhane (Izimbizo)
- Developing of a new Sizakala Centre in Ward 99 as well as the associated maintenance programmes; and
- Development of the customer relations management model.

Sizakala Customer Service Unit serviced a total of 6 831 856 customers in the past three consecutive years through a network of 36 Sizakala centres.

PERFORMANCE TRENDS FOR THE PAST THREE YEARS

Sizakala customer service walk-in centres

Table 1 below provides a breakdown of footfall per region per year that depicts a sustained marginal growth year on year. This is further demonstrated in figure1 where it is evident that significant growth occurred in the South due to among other things, the opening of new centres and expansions mainly in Kwa-Mnyandu Customer Service Centre.

	2015/16 TOTALS	2016/17 TOTALS	2017/18 TOTALS
South	742518	975891	1028604
West	755932	680921	765721
North	639764	625184	617321
Total	2138214	2281996	2411646

Table 6: Service centres

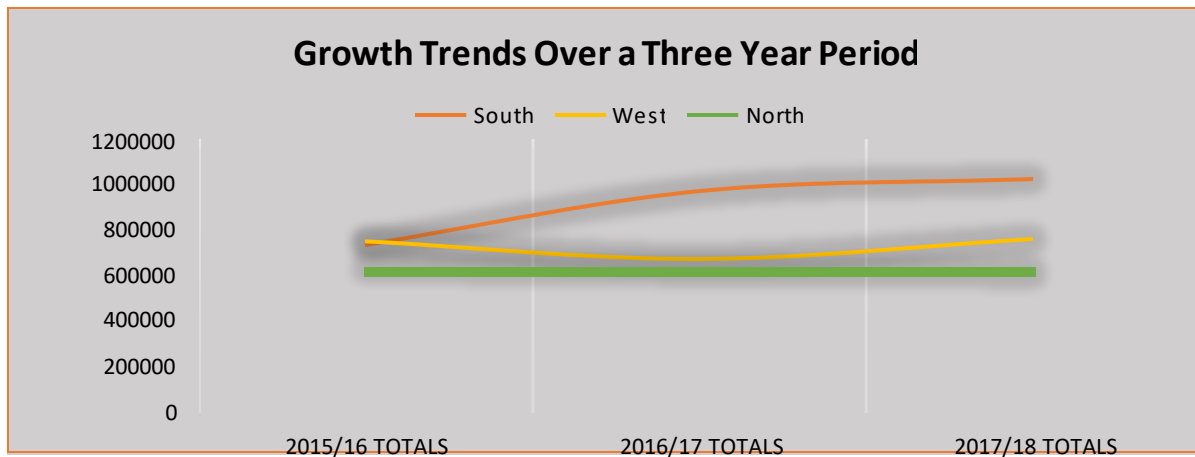


Figure 16: Growth trend

Mobile Centre

The unit runs Mobile centres which attends to customer queries and complaints regarding services received and services requested. Questions are attended to immediately and feedback is then provided to customers.

Areas	Number of queries and complaints
Ngonyameni	287
Qadini	169
Mtshebheni	253
Mpola	168
Dassenhoek	99
Kwanyuswa	202

Table 7: Annual statistics per mobile stop.

Complaints Management

There was an overall of 86% annual resolution rate on complaints. The table below depicts the resolution breakdown per category.

CATEGORY	RECEIVED	RESOLVED	PENDING	RESOLUTION RATE
Masakhane	344	209	135	61%
Sizakala emails	3730	3029	700	81%
Sizakala calls	2502	2502	0	100%
Presidential hotline	440	319	121	73%
Totals Annual resolution	7016	6059	956	86%

Table 8: Complaints Management Resolution Rate.

Integration of customer services.

The integration of customer service entails streamlining of customer services and integration with Customer Relations Management. This includes introduction of one toll free number for the Municipality, Business Process Re-engineering (BPR) as well as consolidation of Customer Services Departments into one Customer Relations Management Unit. The following was achieved:

- Engagement of top 30 customers through a customer engagement programme linked to integration of customer services;
- Bringing all major contact centres onto one IT Platform;
- The One Number Project wherein customers can now access municipal services through one-number; and
- A Mobile App has been launched for the Water Services Unit.

Taking services to the Malls.

The purpose of the project was to ensure accessible and convenient customer service. This programme entails setting up interim query handling platforms at a specific shopping malls at a convenient times, particularly during weekends. These platforms resolve queries and complaints facilitate credit agreements or any form of arrangement and enable customers to make payments at specific payment points.

Initially Galleria, Pavilion, Gateway and Musgrave were targeted as a pilot project. The project received a positive response from customers which resulted in extension service offering to four to two additional malls namely Bridge City, Shallcross, Mega City and

Mpumalanga. A total number of 4107 customers were serviced by the Customer Services Team over a period of 3 weekends.

Customer Service Training

The Customer Service Training Project is divided into two sub-projects namely:

- **Development and Accreditation of Training Material for a City-Wide Training Programme on Customer Services.**

The purpose of this project is to develop a universal customer service training programme of the Municipality. The programme has three fully accredited modules and include train the trainer programme run by EMA.

- **Capacity Development and In-house Training Programme**

The purpose of the training is to promote teamwork, good customer care, good governance and enhanced capacity for frontline and back office staff to improve their performance.

EThekweni Municipality Television (EMTV)

The EMTV is a digital signage solution for a live broadcast of services and information customised to empower citizens through access to information. This programme forms part of a broader civic education initiative that is aimed not only at empowering citizens but also at facilitating improved access to services.

The project was implemented in 2017/18 at three Pilot Centres which include KwaMnyandu, Pinetown and Verulam. The Pilot first ran for 3 months and its contract is currently on a month to-month basis till further notice. The aim is to avoid a break between the pilot and the longer term contract of EMTV. The current programme deals with the Supply Chain Management (SCM) bid process.

Mayoral complaints hotline

Since the inauguration of eThekweni Municipal Council, the Mayoral Office has been inundated with complaints and correspondence received through various mediums including:

- Walk-ins;
- Telephone calls;
- Public protests;
- Public participation platforms and Izimbizo;
- Correspondence; and
- E-Mails and other web-based applications.

In the light of these significant developments the Municipality identified integrated complaint management as a strategic component of its service delivery improvement plan and a precursor to customer satisfaction. Furthermore, it was noted that prevalence of such complaints was beginning to compete directly with core functions of the Mayoral Office as they are by nature urgent and require immediate attention and action, hence the establishment of the complaint management facility within the Mayoral Office Unit.

At the advent of the financial year 2017/2018, Her Worship the Mayor Zandile Gumede initiated a Mayoral Hotline Project to among other things meet the following objectives: -

- Setting up a seamless complaint management facility that would escalate complaints to Mayor's Office; and
- Maintaining and managing the complaint database linked to a Council-wide single complaint repository and to ensure an improved reporting of complaints to enable timeous feedback to customers.

The Mayoral Hotline is designated to deal with the following categories of complaints: -

- Complaints that have been through the Council complaint-handling processes but which were not resolved and consequently escalated for the Mayor's attention;
- Public unrest and service delivery protests; and
- Complaints emanating from Mayoral engagements and processes such as Izimbizo.

Successes and awards

The Deputy Head Customer Services was a gold award recipient in the best leader category of the Premier Service Excellence Awards.

2.3.6 COMMUNITY PARTICIPATION AND ACTION SUPPORT

The Community Participation and Action Support Unit is mandated to facilitate citizen's engagement in influencing the decision-making processes in line with the Constitution of the Republic of South Africa, section 152 (1).

The Unit's mission is to provide active public participation facilitation services to eThekweni Municipality (council and administration) through various programmes, to enable the Municipality to effectively involve citizens effectively in the processes resulting in them effectively influencing the municipal processes by taking ownership of the development.

This is informed by the White Paper on Local Government, Section B paragraph 33 and in response to Plan 7 of the IDP. Further, the National Development Plan (NDP) aims to bring down the level of poverty and to reduce inequality by 2030. The Action Support element, through its Sectoral Programmes, responds to this National vision. The programmes that the Unit implemented and intensified were in line with the Millennium Development Goals (MDG) and the President's emphasis on his State of the Nation addresses.

PURPOSE

- To inform and educate communities about government matters;
- To allow public inputs into proposed policies and to share decision-making with the communities; and
- To plan and cooperate with communities to shape their developmental goals and ward priorities.

2017/18 KEY PRIORITY PROGRAMMES/PROJECTS

- Masakhane and Special Projects;
- Sectoral Programmes – Youth, Gender and Vulnerable Groups;
- Poverty Alleviation Programmes;
- Stakeholder Management;
- Community Based Planning, Structures and Support;

- Protests, Petitions, memoranda and public-hearing affairs;
- Ward Committee Secretariat Services;
- Policy development and review; and
- Operation Sukuma Sakhe – War Rooms.

Performance trends for policy and administration

Programme	2015/2016	2016/17	2017/2018
Grant-In-Aid	62 organisations benefited financially. Various Community Based Structures were capacitated.	106 organisations benefited financially.	117 organisations benefitted financially Various Community Based Structures were capacitated.

Table 9: Performance Trends for Policy Administration

CHALLENGES AND MITIGATION

- The new demarcation resulted in an increase in the number of wards hence there is also a need for an increase in the number of community mobilisers serving the wards.
- Some rural wards within outer-west and south region are so vast, that they need more than one Community Mobiliser per ward.

2018/19 FUTURE FOCUS

Sectorial Programmes for the 18/19 financial year and beyond

- To achieve a fully functional one Vulnerable Group structure per ward;
- To promote and protect Vulnerable Groups rights;
- To advocate for Gender and Disability mainstreaming;
- To develop and review relevant policies to assist in designing programmes that will have a positive impact on eThekweni citizens;
- To engage work-experienced graduates to facilitate programmes for Street Children;

- To promote sustainable livelihoods through empowerment and establishment of a One-Home-One Garden for Soup Kitchen beneficiaries; and
- To increase the number of Soup Kitchens so as to have one per ward.

Masakhane and Special Programmes

These will seek to:

- Implement the planned 36 Masakhane initiatives;
- Facilitate and coordinate services of the Mayoral Izimbizo/ budget hearings;
- Promote best practices within communities that support government programmes;
- Facilitate special projects in collaboration with other role players;
- Renew MOUs with Home affairs;
- Co-ordinate and implement mayoral Izimbizo;
- Facilitate Public Participation Indaba;
- Facilitate and implement Public protest strategy;
- Support active participation of Traditional Leadership and communities in the council through:
 - Facilitation and support for participation of Traditional Communities and Leaders in council processes;
 - Facilitation of Internal and External workshops on Traditional protocol matters;
 - Support for the launching and implementation of the eThekweni Traditional Leadership participation policy;
 - Facilitation and Co-ordination of Rural /Traditional Community cultural, customary, economic and agricultural development programmes; and
 - Support for and facilitation of the development of partnerships between Traditional Communities and relevant role players (MOU's / Service Level Agreements).

- Finalise and Review Ward Plans in order to:
 - Facilitate Community Based Planning into the affected areas;
 - Facilitate identification and updating of the stakeholder's register and to develop stakeholder plans for engagement;
 - Identify areas of collaboration with Religious Leaders in response to community issues, by facilitating meetings and workshops;
 - Facilitate co-ordination and establishment of Zonal stakeholder forums; and
 - Facilitate training of Ward Committees.



Figure 17: Ward 48/49 Health Awareness (3 February 2018) @ East Berry Sport Ground



Figure 18: Go! Durban Community Engagements 17 February 2018



Figure 19: Grant-in-Aid Workshop



Figure 20: Chief Cele Imbizo 18 February 2018

2.3.7 INTERNATIONAL AND INTERGOVERNMENTAL RELATIONS

The Inter-governmental Relations Unit exists to promote good relations and to foster inclusive and cooperative governance. Our mission is to strive for the existence of the single window of co-ordination of government programmes in eThekweni Municipality by giving expression to 'inclusive and cooperative' governance through facilitating the establishment of structured intra and intergovernmental technical forums aimed at implementing NDP, PGDS and IDP in an integrated manner in order to provide citizens with access to a total living and working environment thus enabling eThekweni to realise it's vision of

upholding its reputation of being Africa's most caring and liveable city where citizens live in harmony, promoting & maintaining good and healthy relations - overcoming silo planning, minimising delays in the implementation of projects - minimising public protests and enabling eThekweni to position itself globally – increasing investment opportunities.

KEY PRIORITY PROJECTS

- Advocate for the collaborative approach within and among municipal units, between eThekweni and other Municipalities, eThekweni and other spheres of government and eThekweni and State-Owned Enterprises for effective implementation of joint or crosscutting as well as distinct programmes of exclusive or concurrent competence with the other two spheres;
- Facilitate the establishment of the relevant implementation protocols clarifying the roles and responsibilities to facilitate a shared understanding of the rules of engagement (buy-in agreements, partnering protocol, terms of reference, MOU/A's);
- Co-ordinate, promote and maintain good relations with other spheres of Government, International Partners, other municipalities and State Owned Enterprises;
- Provide an International Relations facility (desks within foreign countries) which offers help to municipal units and relevant stakeholders in pursuit of African advancement and enhanced International cooperation through the following comprehensive programmes: sister cities partnerships, donor relations and Africa/NEPAD;
- Manage donor relations, Sister Cities Partnerships and Africa/NEPAD programmes;
- Facilitate the provision of advice to the City on the list of countries to be targeted as twinning partner(s) regarding tourism development, investment promotion and trade promotion;
- Facilitate the signing of agreements that aim to develop or to strengthen relationships, programmes and policies and those that enhance the sharing of best practices;

- Leverage international Memoranda of Understanding and other co-operative agreements with BRICS, SADC, Department of International Relations and Cooperation (DIRCO), United Nations (UN), African Union (AU), etc.;
- Facilitate implementation of the National Foreign Policy's priorities, practical objectives and priorities.
- Facilitate the implementation of DIRCO's Strategic Plan Priorities.
- Ensure co-operation of stakeholders by facilitating the provision of appropriate mechanisms and procedures to facilitate the settlement of intergovernmental disputes; and
- Implement Inter-governmental and International Relations Policy and Strategy.

ACHIEVEMENTS Re: PRIORITY PROJECTS

Implementation of the Inter-governmental and International Relations Policy and Strategy:

- 1st Draft of the Inter-Governmental Relations Policy and Strategy was developed and sent to Governance and Human Resource for inputs. Based on the Committee's comments and inputs a 2nd Draft has been developed.
- The 2nd draft is in the process of being circulated to all Portfolio Committees and other Inter-governmental Relations Forums in eThekweni.

Facilitation of the establishment of the relevant implementation protocols to establish clarification of roles and responsibilities to promote the shared understanding of the rules of engagement.

- Incorporated within the 2nd Draft IGR. Strategy is an Implementation Protocol guidelines.
- Based on the KZN Intergovernmental Relations Forum Strategic Plan resolutions over and above the Inter-Provincial Relations Forum which

was established an Inter-governmental Relations Executive Committee has been established, comprising of COGTA, SALGA, Office of the Premier, Treasury and eThekweni Municipality has been established. Its role is to develop a clear structured approach of making IGR effective for Co-operative Governance through the identification of gaps within the IGR system caused by misalignment of implementing policies and budgeting & planning cycles, and to facilitate and co-ordinate the alignment thereof.

- The following inter-governmental Relations Forums within eThekweni are in existence and functional: Council, Executive Committee, Deputy City Managers Forum, Five Portfolio Committees, City Managers Operations Forum, Chief Executive Officer's Forum with clear terms of reference.

Advocating for the collaborative approach that will promote co-operation of stakeholders within and among municipal units, between eThekweni and other Municipalities, eThekweni and other spheres of government and eThekweni and State Owned Enterprises by facilitating the provision of appropriate mechanisms and procedures aimed at managing intergovernmental disputes in relations to joint/crosscutting/distinct projects implementation.

- Stakeholder Engagement Plan aimed at addressing power/equality relations by managing unhealthy patterns of thoughts or behaviour for consented, cohesive, directed and effective service delivery towards the realisation of eThekweni Municipality's 2030, NDP 2030 & KZN 2035 visions.

Facilitation of the signing of agreements that aim to develop or strengthen relationships, programmes and policies and those that enhance sharing of best practices:

- MOU with Home Affairs; and
- MOU between Department of Education and eThekweni is awaiting principals signatures.

Co-ordination, promotion and maintainance of good relations with other spheres of Government, International Partners, other municipalities and State Owned Enterprises. The following meetings/events have been held:

- A public event on Operation Phakisa Oceans Economy an Integrated Programme designed to unlock growth and delivery in the oceans and blue economy was hosted at the Durban ICC in October 2017. The purpose of the event was for His Excellency, Mr Jacob G. Zuma to give feedback to the public on the progress made in the Operation Phakisa: Oceans Economy Programme implementation and on the impact it has made on job creation, particularly amongst the Youth and Women.
- Local Economic Development: a MUNIMEC Meeting was held in May to discuss among other things the following issues: Launching of a Citizens Engagement APP; Economic Outlook; National LED Framework, Provincial LED Plan, District Project Book & Red Tape; 4th Industrial Revolution & Impact on Jobs; Smart Exchange Innovation Hub Opportunity; Operation Vula & RASET; Status and Role of District Development Agencies and Community Service Centres: Nkululeko.
- Two Intergovernmental Relations Executive Meetings were held in April and June. Strategic matters discussed pertained to the following: IGR Strategic Planning session for 2018/19; IGR Structures functionality Matrix; Benchmarking on Cooperative Governance best Practices and Interprovincial Collaborations.
- Technical MUNIMEC Forum was held at Cedara in March to discuss: Expanded Public Works Programmes; Status of Water Resources at Umngeni; Eskom Projects for Municipalities' to be noted for incorporation in the different Municipalities Integrated Development

Plans; Lekgotla Resolution which mandated Spheres to co-operate with one another and participation of Municipalities in Action Work Groups convened by the office of the premier; Deed restoration programme which was presented by eThekweni Municipality; municipal audit outcomes – highlighted was an overall regression of clean audits from 11 to 7.

- Strategic Meetings were also held with leadership and management of the following eThekweni Partners: Eskom, Transnet, Umngeni Water and ACSA.

International Relations

The interit is to provide International Relations facility (desks within) which offers help to municipal units and to relevant stakeholders in pursuit of African advancement and enhanced International cooperation through the following comprehensive programmes: sister cities partnership, donor relations and Africa/NEPAD.

- Bremen/Durban Youth Sport Leadership exchange programme: Value: The value of the project is approximately R1.7m. The German Government contributes 75% of the total budget. The city of Bremen contributes 12.5% and the eThekweni Municipality contributes 12.5%. The duration of the project is from March 2018 to July 2018. The cooperation focused on field and track athletics cooperation. This project serves to improve coaching and technical skills of athletes. Total number of participants from eThekweni Municipality is 32 Youth plus 6 technical staff.
- One Nation Cup: Although not funded through the German government, it is an ongoing programme for U15 football teams competing in a tournament against 12 other international cities, organised by the city of Bremen. Ground costs for invited teams were financed by the host

city. The tournament is hosted every second year by Bremen. This programme allows our young football players to develop their football skills and to build bonds of friendship between German and South African youth. The team consists of 16 players (boys and girls) plus three technical staff.

- Durban-Bremen Ocean Champs/ identity: Durban Ocean Champs is a project jointly implemented by the eThekweni Municipality (South Africa) and the Free Hanseatic City of Bremen (Germany) as part of the climate change partnership between the two cities. This initiative strives to empower youth to take an active role as “Ocean Champions” in the protection and preservation of the sea and the reduction of marine and climate pollution along the coastal areas of Durban. The project is funded by the Federal Ministry for Economic Cooperation and Development (BMZ) in Germany for three years on the basis of a 90% grant, with eThekweni Municipality and the City of Bremen each contributing 5%.
- Leeds: There was a visit of Garforth Academy to Mzumvele High school to handover laptops and data projectors. This is a result of a 10-year long relationship that exists between the two schools. The visit by Garforth was for a week, with projects that included installation of Wi-Fi for the school. A Film Festival discussion took place with the City of Leeds with an invitation for Durban to participate at the Leeds film Festival.
- Chicago: eThekweni participation in the Chicago citizen diplomacy celebration which culminated to the social cohesion and social justice meetings. The benchmark with the city of Chicago enabled the eThekweni to share best practice on matters of social justice. The following will be the benefits of the programme to the eThekweni Municipality that will be derived: Practitioners training practitioners and experiential learning leading up to effective networking;

- Administration of the Social Development Strategies that will enhance civic pride and commit to municipal programmes;
- Encouraging alternate food systems so that they are more accessible to the community as well as enhanced community involvement;
- Establishing social partnerships in providing, safety and security, poverty alleviation for vulnerable matters such as military veterans etc.;
- Improved security within schools; and
- Urban Renewal programmes;

The leveraging of an international Memorandum of Understanding and other co-operative agreements with BRICS, SADC, Department of International Relations and Cooperation (DIRCO), United Nations (UN), African Union (AU), etc.:

- The successful signing of the Memorandum of Understanding between the eThekweni Municipality and the Shack Dwellers international with the focus on building sustainable human settlements as well as viable communities.
- Hosting of the BRICS roundtable discussion which aimed at exploring opportunities in the fourth industrial revolution, strengthening global peace making and advancing the cause of women. The meeting was attended by the Consul Generals of the BRICS block, with presentations from the Durban Chamber emphasizing the importance of BRICS in that it provides opportunities for SA to tap into the Asian markets in terms of trade.
- Following a successful BRICS roundtable discussion, the Durban Chamber has signed a Memorandum of Understanding with Nanjing Municipal Government focusing on Asian markets. The signing of this MOU was alluded to in the BRICS roundtable discussion and the BRICS business council.

Facilitation of the provision of advice to the City on the list of countries to be targeted as twinning partner(s) regarding tourism development, investment promotion and trade promotion.

- During the 2017/2018 financial year meetings with Ambassadors took place that undertook to review and renew twinning partners. The following meetings took place:
 - Netherlands Ambassador: a courtesy call was made to the Deputy Mayor to discuss new initiatives from the Netherlands and the Ambassador mentioned that through the 'Co Create my City' initiative five young students from DUT were to travel to the Netherlands for the programme.
 - Young entrepreneurship link to co-create my city;
 - Indonesian Ambassador: Emphasized the need for a long standing relationship that existed between the Madiba shirts and Indonesia clothing;
 - Youth development projects;
 - Promotion of the City as a Tourist destination;
 - Xiamen: possible partnership with the city of Xiamen. The key interest of this city is in the direct air flight from the City of Xiamen to Durban, further to that business linkages promoted will be shared between the two cities;
 - Tokyo, Japan: Possible twinning partner focusing on the following: Human Resources; Health; Governance; Smart City and public safety; Waste management; and Education

Facilitate the implementation of DIRCO's Strategic Plan Priorities.

- In line with DIRCO Strategic Plans Priorities the Department contributes to the realisation of the national priorities through strengthened bilateral cooperation with individual countries of the South and the North; prioritising increased exports of South African goods and services; increase foreign direct investment (FDI) with technology transfers into value-added industries and mineral beneficiation; as well as increased inbound tourism and skills enhancement. These objectives link to the strategic objective of strengthening South Africa's political, economic

and social relations with targeted countries through the outcomes of structured bilateral mechanisms and high-level visits to reflect national priorities, the African Agenda and the Agenda of the South.

- The priority of DIRCO is to ensure that all diplomatic corps member who will represent South Africa are well-informed on this development

2.3.8 PERFORMANCE MONITORING AND EVALUATION (PME)

The Performance Monitoring and Evaluation Unit of the eThekweni Municipality is legislated to provide the following services for the Municipality:

- The compilation and monitoring of the Service Delivery Budget and Implementation Plan (SDBIP) for the entire organisation and its entities;
- The compilation of the Annual Performance Report for submission to Council and the MEC; The compilation of the Annual Report for the Municipality;
- The facilitation of a Public Participation process for both Organisational Performance and the Annual Report;
- The facilitation of Individual Performance Monitoring for Section 54/56 of the Municipal Systems Act, which relates to the City Manager and Managers reporting directly to the City Manager, as well as all Senior Management of the Municipality;
- The facilitation of the Disclosure of Interest process for all employees of the Municipality;
- Other services undertaken by PME: The compilation of Operational Dashboard Indicators;
- Monitoring of receipt of gifts by employees; and
- Compilation, monitoring and reporting of Back to Basics indicators to Council and COGTA.

FUTURE FOCUS

The PME Unit will be embarking on the Evaluation of Programmes and Projects of the Municipality, from the 18/19 financial year, in line with the Department of Planning, Monitoring and Evaluation in the President's Office.

CHAPTER THREE: SERVICE DELIVERY PERFORMANCE

3.1 INTRODUCTION

The Annual Performance Report is hereby submitted in terms of the Municipal Systems Act (MSA), 32 of 2000, section 46(1) and (2), as well as the MFMA Circular 11 on annual reporting. This report covers the performance information from 01 July 2017 to 30 June 2018 and focuses on the implementation of the Service Delivery and Budget Implementation Plan (SDBIP), in relation to the objectives as encapsulated in the Municipality's Integrated Development Plan (IDP) for the year under review. This report reflects actual performance of the Municipality as measured against the performance indicators and targets in its Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) for 2017/2018.

3.1.1 LEGISLATIVE REQUIREMENTS

This Annual Performance Report has been compiled in compliance with the requirements of section 46 (1) of the Local Government: Municipal Systems Act, 32 (Act 32 of 2000); which stipulates as follows:

“A municipality must prepare for each financial year a performance report reflecting—(a) the performance of the municipality and each external service provider during that financial year; (b) a comparison of the performance referred to in paragraph (a) with targets set for performance in the previous financial year; and (c) measures taken to improve performance”

Further, the Annual Performance Report must form part of the Municipality's Annual Report in terms of Chapter 12 of the Municipal Finance Management Act.

This report provides an analysis of performance for the financial year 01st July 2017 to 30th June 2018, in comparison to the IDP targets set by Council for the financial year. In compliance with the legislation, the Organisational Scorecard of the Municipality and its Entities; and the report on the monitoring of Service providers are included in this report.

The Scorecard of the Municipality is a reflection of the performance of the Municipality as reflected in the strategy adopted by the Council of the Municipality in its Integrated Development Plan (IDP). The IDP reflects the eight-point plan of the city, which is fully aligned with the five Key Performance Areas (KPA) as required by the Department of Co-

operative Governance through the regulations of the Local Government: Municipal Systems Act, No 32 of 2000, and the cross cutting KPA as required by COGTA. These KPA's are translated into the eight plans in the Performance Scorecard, which is overseen by a Deputy City Manager or the City Manager. The following table reflects the eight-point plan:

ETHEKWINI MUNICIPALITY EIGHT POINT PLAN		
Plan Name	Plan Owner	Designation
Plan 1 - Developing and Sustaining our Spatial, Natural and Built Environment	Philip Sithole	Deputy City Manager: Economic Development and Planning
Plan 2 - Developing a Prosperous, Diverse Economy with Employment Creation	Philip Sithole	Deputy City Manager: Economic Development and Planning
Plan 3 - Creating a Quality Living Environment	Philemon Mashoko/ Beryl Mphakathi/ Adrian Peters	Deputy City Manager: Trading Services/ Deputy City Manager: Human Settlement/ Chief Strategy Officer
Plan 4 - Fostering a Socially Equitable Environment	Dumisani Bhengu	Acting Deputy City Manager: Community and Emergency Services
Plan 5 - Creating a Platform for Growth, Empowerment and Skills Development	Dumisile Nene	Deputy City Manager: Corporate and Human Resource
Plan 6A - Socio - Embracing our Cultural Diversity, Arts and Heritage	Dumisani Bhengu	Acting Deputy City Manager: Community and Emergency Services
Plan 6B – Stadia Facilities Unit	Dumisani Bhengu	Acting Deputy City Manager: Community and Emergency Services
Plan 7 A - Good Governance and Responsive Local Government	Sipho Cele	Deputy City Manager: Governance and International relations
Plan 7 B - Good Governance and Responsive Local Government	Sipho Nzuzza	City Manager
Plan 8 - Financially Accountable and Sustainable City	Dr Krish Kumar	Deputy City Manager: Finance

Table 10: Eight Point Plan

3.1.2 PERFORMANCE MANAGEMENT OVERVIEW AND PROCESS

Organisational performance is evaluated by means of a Municipal Scorecard at organisational level and through the Service Delivery and Budget Implementation Plan at departmental levels.

Scorecard

The Municipal Scorecard consolidates service delivery targets set and provides an overall picture of performance for the Municipality as a whole, reflecting performance on its strategic priorities.

Service Delivery and Budget Implementation Plan (SDBIP)

The SDBIP is a plan that converts the IDP and Budget into measurable criteria on how, where and when the strategies, objectives and normal business processes of the Municipality are implemented. It also allocates responsibility to Departments to deliver the services in terms of the IDP and Budget.

The MFMA Circular No.13 prescribes that:

- The IDP and budget must be aligned;
- The budget must address the strategic priorities;
- The SDBIP should indicate what the municipality is going to do during next the 12 months; and
- The SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes.

3.1.3 PLANNED TARGETS VS ACTUAL RESULTS FOR THE 207/2018 FINANCIAL YEAR

This section of the Annual Performance Report will report on the Municipality's actual performance against the planned targets as derived from the Municipality's IDP.

An analysis of the provisional performance of the Municipality (excluding the Municipal Entities), indicates that the overall performance of the Municipality has increased from

69.84% to 76.92%. The trend-analysis below indicates that performance increased from 2014/15 to 2015/16 by 0.7%, 2015/16 to 2016/17 by 3.17%, 2016/17 to 2017/18 by 7.08%. The non-achievement of KPI's was due to a number of reasons which are reflected on the Organisational Scorecard in Annexure A.

Overall Percentage (%) achievement rate 2014/2015 - 2017/2018				
Financial Year	2014/2015	2015/2016	2016/2017	2017/2018
Achievement Rates	65.97	66.67	69.84	76.92

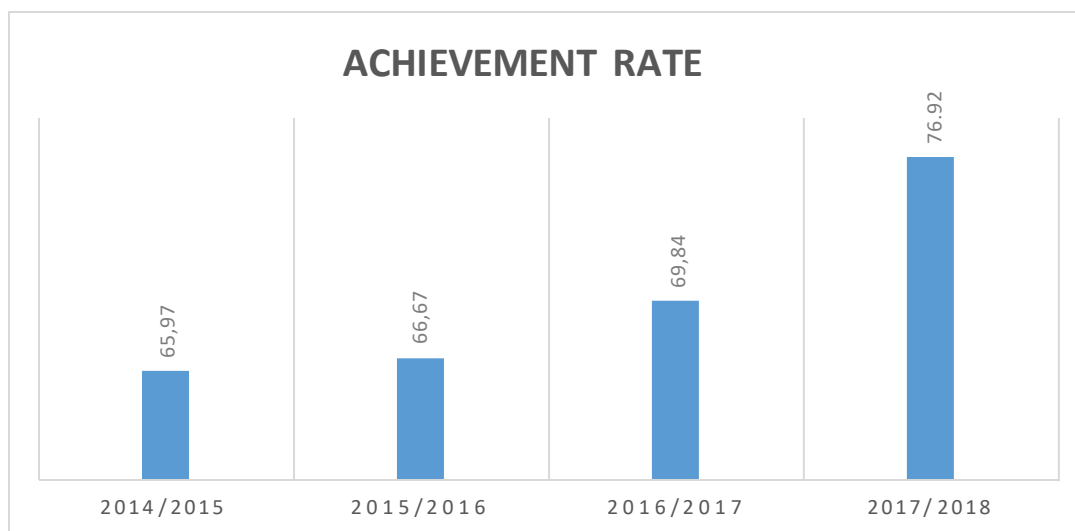


Figure 21: Achievement rate

There has been a significant increase in the overall performance of the municipality of the last four years. This is mainly due to the rigorous monitoring of performance by the City Manager and Senior Management team. Although the Municipality was challenged by external forces of interruptions of service delivery by business forums and service delivery protests, significant interventions were implemented in order to ensure service delivery performance.

3.1.4 PERFORMANCE AGAINST THE NATIONAL KEY PERFORMANCE INDICATORS

The following graphs indicate the Municipality's performance in terms of the National Key Performance Indicators required in accordance with the Local Government: Municipal

Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These Key Performance Indicators are linked to the National Key Performance Areas.

The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal;

(a) The percentage of households with access to at least a basic level of Water

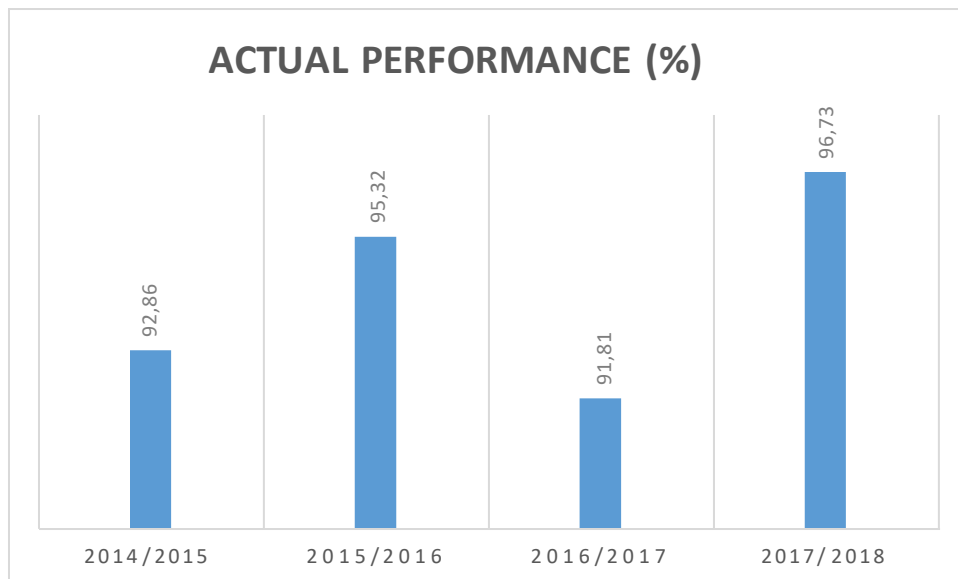


Figure 22: Households with access to basic level of Water

The trend indicates that the percentage of households with access to at least a basic level of water has steadily increased except for 2016/17. The 2017/18 result of 96.73% translates to 914 979 households in the City with access to a basic level of water. The National Development Plan norm for access to water is 92%. Therefore the Municipality has exceeded the national norm.

(b) The percentage of households with access to at least a basic level of sanitation

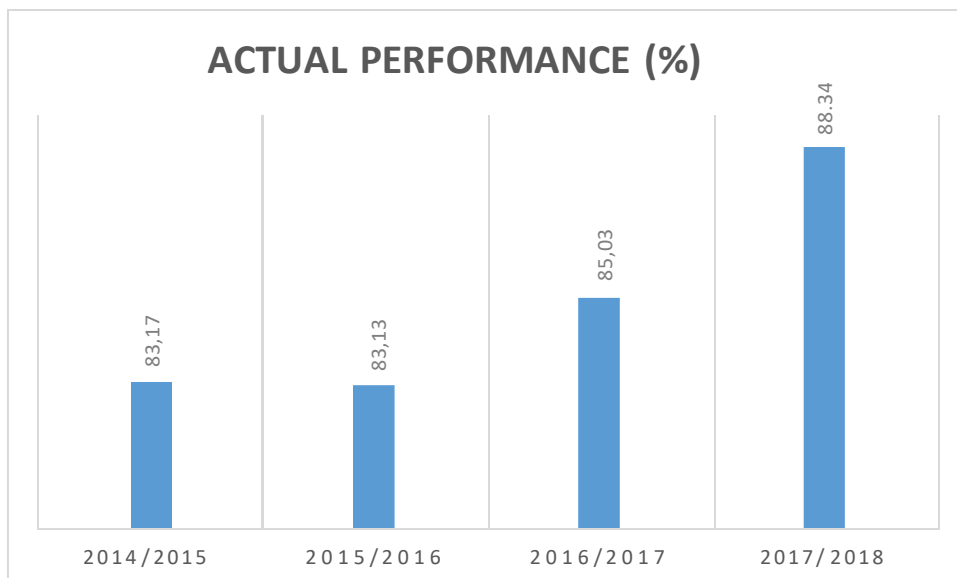


Figure 23: Households with access to basic level of Sanitation

The percentage of households with access to at least a basic level of Sanitation increased in 2017/18 to 88.34% from 85.03% in 2016/17. The National norm is 100% of households with access to sanitation and the Municipality has not been able to achieve this norm, however, the Municipality has exceeded on the target set by the Municipality based on available resources.

(c) The percentage of households with access to a basic level of electricity

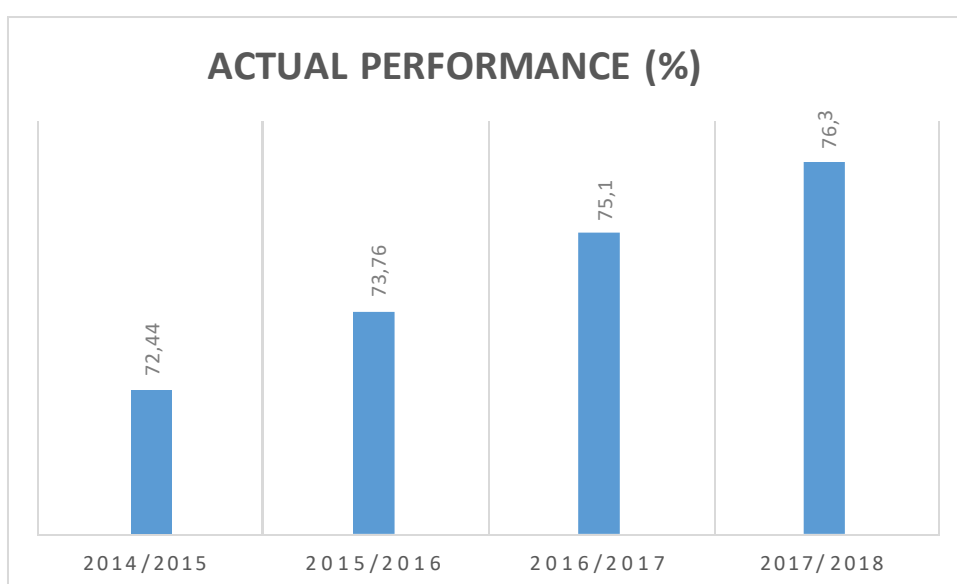


Figure 24: Households with access to basic Level of Electricity

The percentage of households with access to at least a basic level of electricity has steadily increased over the years to the current level of 76.3% or 721 729 households. The Municipal target of 76.4% was not met due to delays in supply of meters from Suppliers and the House Services contract expired. The national norm for access to electricity is 92% which was not achieved.

(d) The percentage of households with access to a basic level of Solid Waste removal

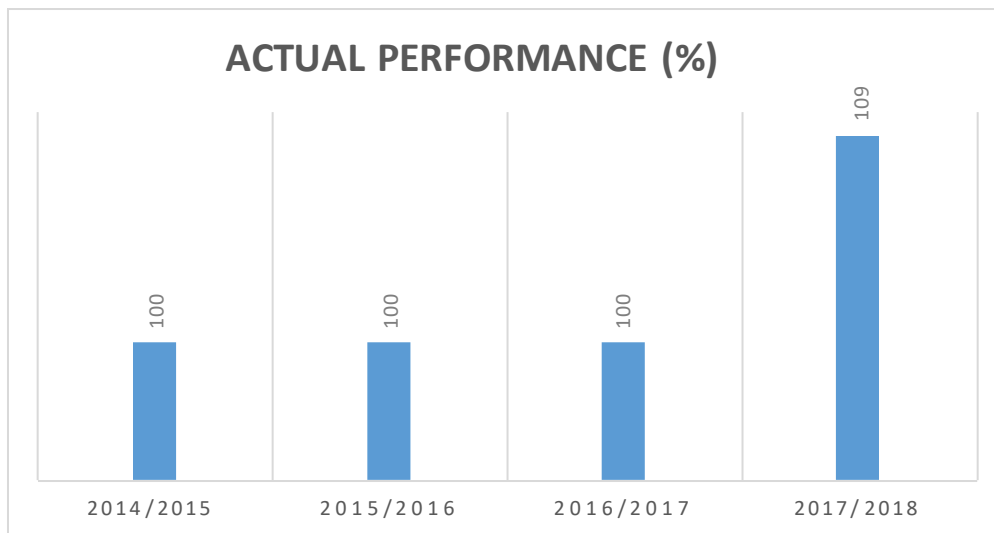


Figure 25: Households with access to basic Level of Solid Waste Removal

The percentage of households with access to at least a basic level of Solid Waste removal has been exceeded at 109% i.e. all households in the City has access to at least a basic level of Solid Waste removal. The baseline and target is calculated in line with 2011 Consumer Unit model figures. However, the actual number reported is based on current service delivery. The reason for the overachievement is the increase in the number of informal household which have mushroomed around the City and are also being provided with solid waste service. The National norm is 100% which has been achieved.

The percentage of households earning less than R1100 per month with access to free basic services;

(Note: The wording of the legislated KPI's that refer to households earning less than R1100 per month has been adapted to align with the eThekwini operating environment).

(e) The percentage of estimated indigent households with access to free basic services:
Water

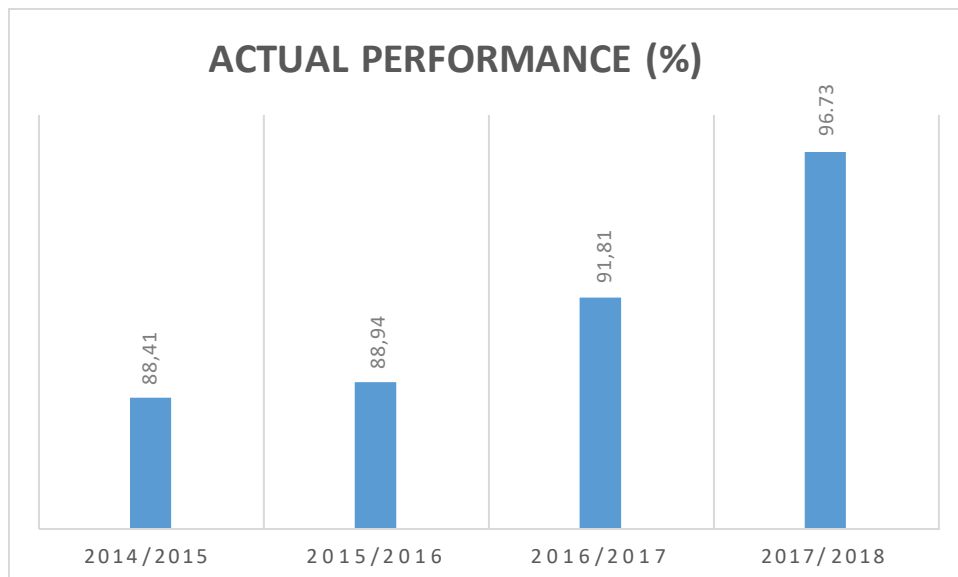


Figure 26: Estimated indigent households with access to free basic water services

Free basic water delivery to the indigent households has increased over the last four years from 88.41% in 2014/15 to 96.73% in 2017/2018. The increases has resulted in more indigent households being provided with access to a basic level of water over the last four years. The Municipal target for free basic water for indigent households was 93.29, which has been overachieved, however the national norm of 100% has not been achieved.

(f) The percentage of estimated indigent households provided with free basic services:
Sanitation

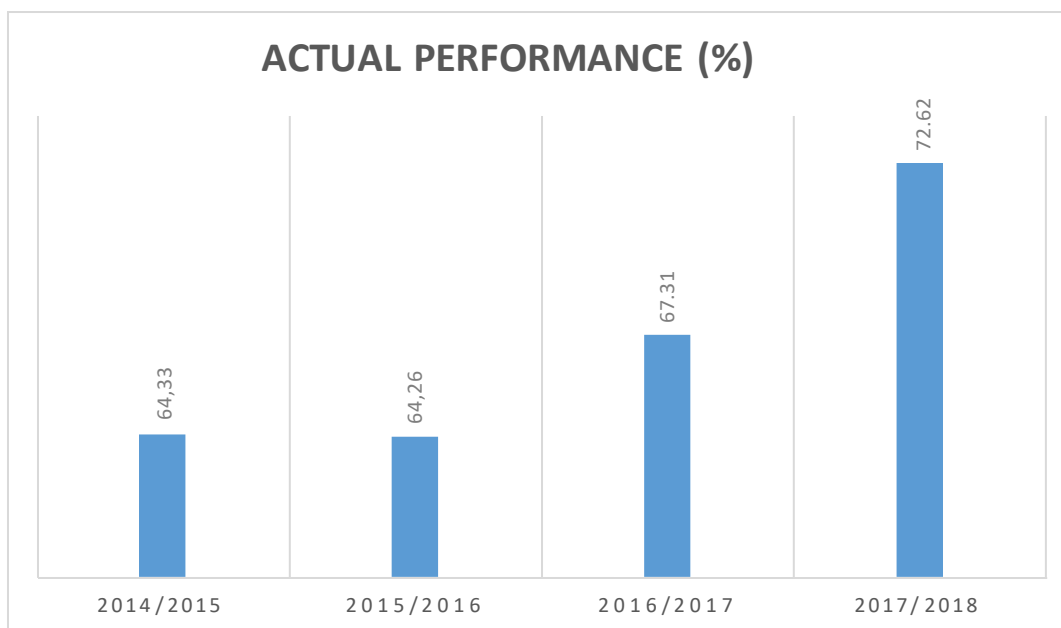


Figure 27: Estimated indigent households with access to free basic sanitation services

The percentage of estimated indigent households with access to at least a basic level of Sanitation increased from 2016 /17 to 2017/18 by 5.31%. The Municipal target for Sanitation to indigent household is 68.81% with an overachievement at 72.62%. However, the National norm is 100% which has not yet been achieved.

(g)The percentage of estimated indigent households collecting free basic services:
Electricity

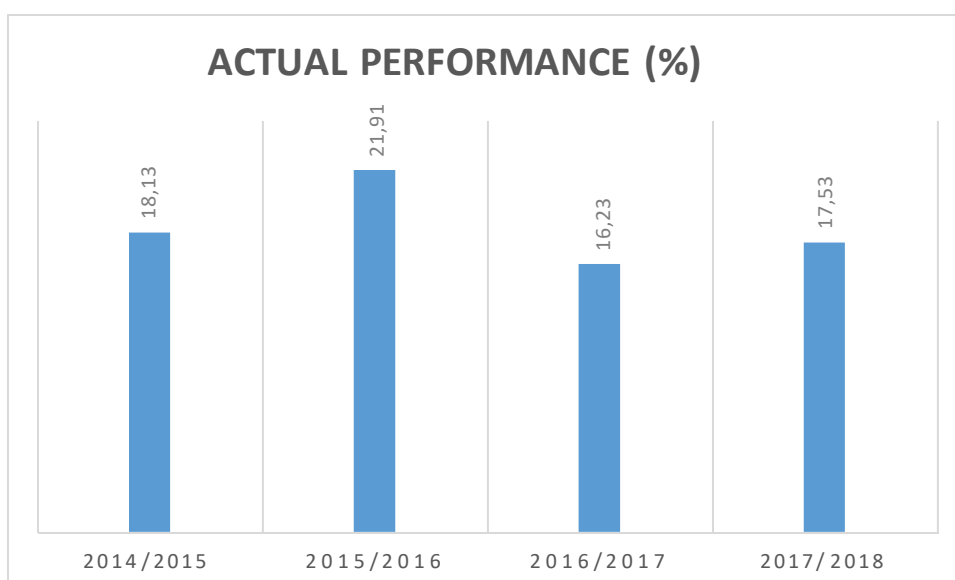


Figure 28: Estimated indigent households with access to free basic electricity services

The percentage of estimated indigent households collecting free basic Electricity has increased by 1.3% from 2016/17 to 2017/18. The current target is 16% and actual overachievement at 17.53%. However, the National norm is 100%. This is a demand driven KPI where residents collect tokens for electricity.

(h) 100% of estimated indigent households with access to a refuse removal service once a week.

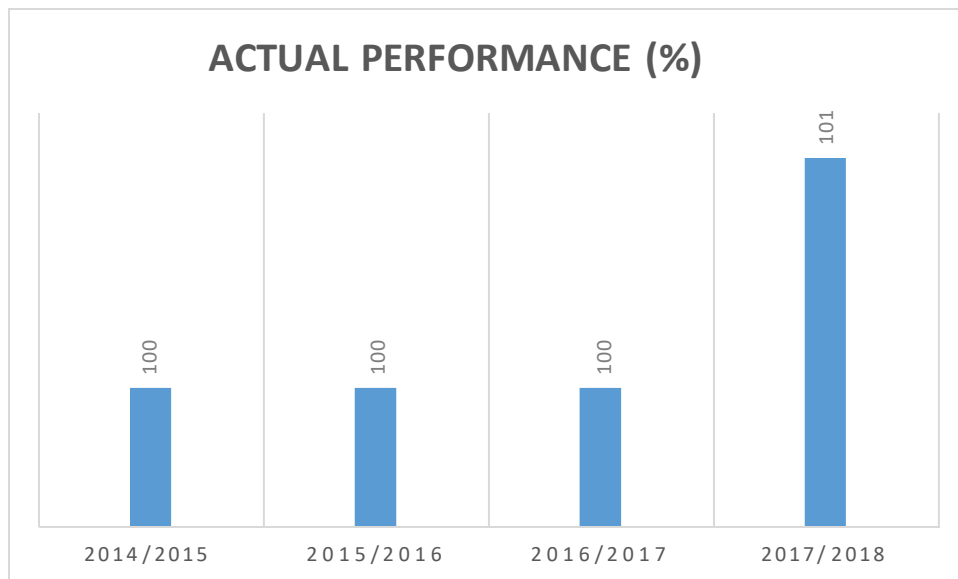


Figure 29: Estimated indigent households with access to refuse removal services

All of the 945 910 households in the City, including the indigent households, have access to a basic level of solid waste removal. The Municipality has provided a once a week kerbside pickup for all formal and informal dwellings including new informal dwellings that have sprung up, which means that we have provided for more that was targeted. The National norm is 100% which the Municipality has overachieved on.

The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's Integrated Development Plan;

The percentage of the Municipality's capital budget actually spent on capital projects in terms of the Municipality's Integrated Development Plan including housing top structure expenditure is reflected below.

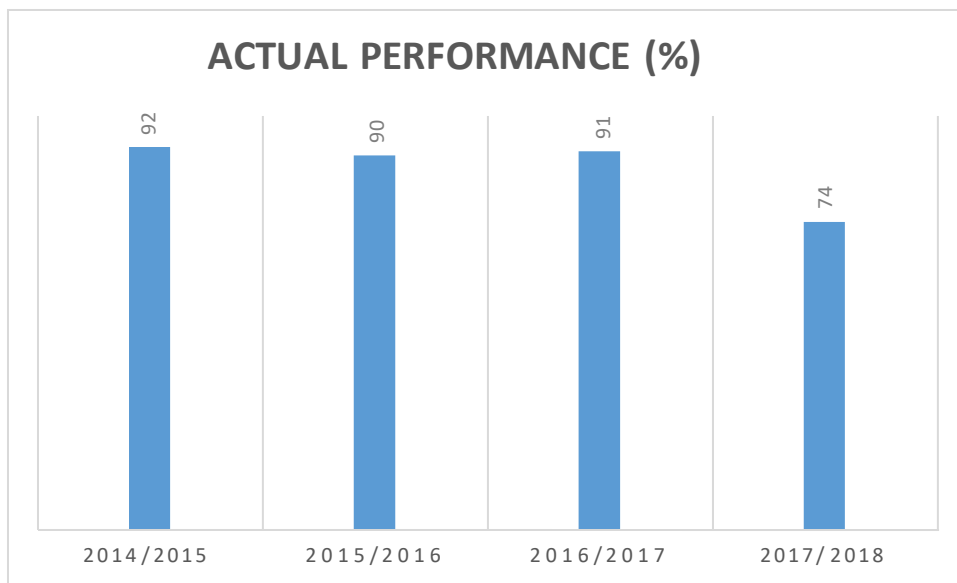


Figure 30: Municipality's capital budget spent on capital projects

Expenditure of the capital budget decreased from 2016/17 to 2017/18 by 17%. The actual spend for 2017/2018 was 74% which is well below the National norm range of 95% to 100%. The under-spending was mostly due to the following factors:

- There were delays in the IRPTN/BRT projects due to ongoing negotiations with the public transport operators, as well as the disruption of projects by local communities and business forums;
- Delays in housing projects due to poor performance of contractors and disruptions by local communities;
- Delays in the aqueduct project due to business forum issues;
- Appeals against the award of contracts;
- Lack of procurement scheduling by line departments;

The number of jobs created through the Municipality's local economic development initiatives including capital projects are reflected below.

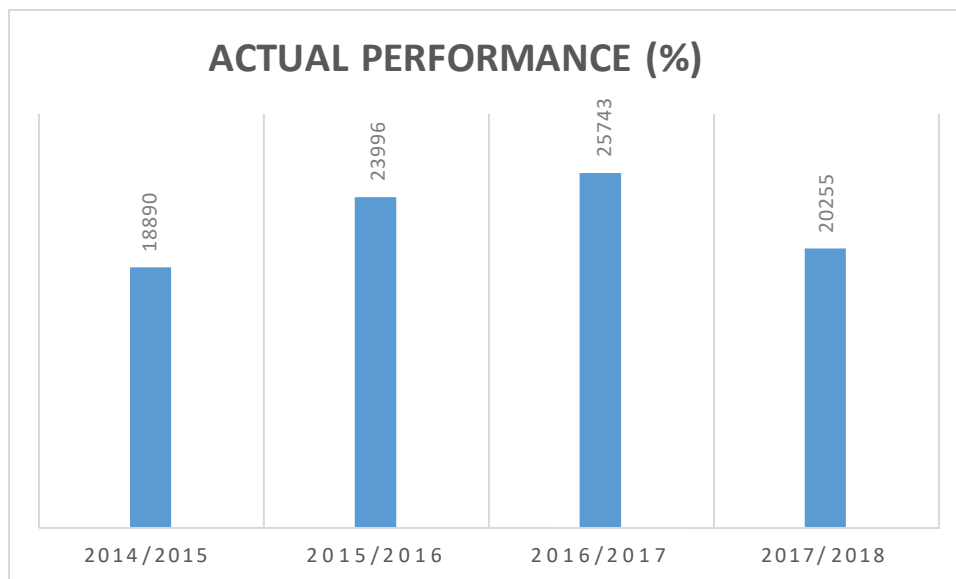


Figure 31: The number of jobs created through the municipality's local economic development initiatives

The number of jobs created has decreased, by 5488 jobs from the 2016/17 to 2017/18 financial year. The Municipality target was 19398 which was over achieved with 20255 jobs created for the year.

The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan is recorded below:

The number of people from employment equity target groups employed in the three highest levels of management in compliance with the Municipality's approved employment equity plan.

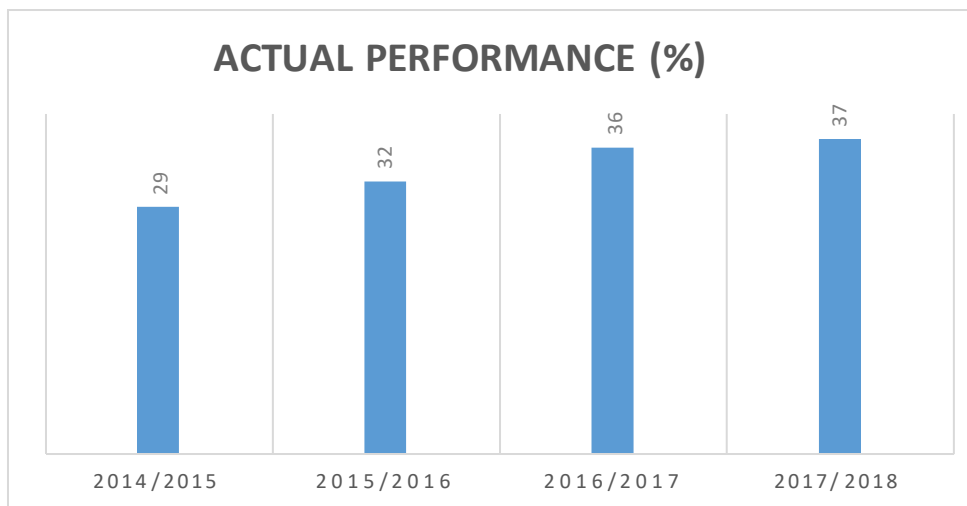


Figure 32: Employment Equity target groups employed in the three highest levels of management: Female employees in Top Management

There has been an annual improvement in the trend over the last 4 years for this KPI. The number of female employees in top positions has increased over the years. The council adopted targets are based on the provincial targets.

The number of people from employment equity target groups employed in the three highest levels of management in compliance with the Municipality's approved employment equity plan are:

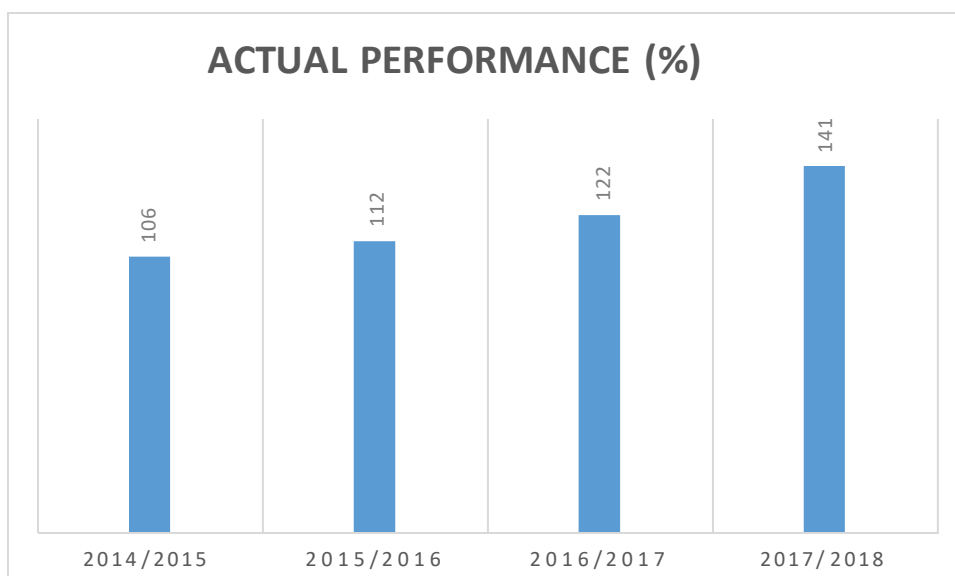


Figure 33: Employment Equity target groups employed in the three highest levels of management: Female employees in Senior Management

The number of female employees in senior management positions have increased from 122 to 141 between 2016/17 and 2017/18. The Council-adopted targets are based on the provincial targets.

The number of people from employment equity target groups employed in the three highest levels of management in compliance with the Municipality's approved employment equity plan is:

FEMALE – MIDDLE MANAGEMENT

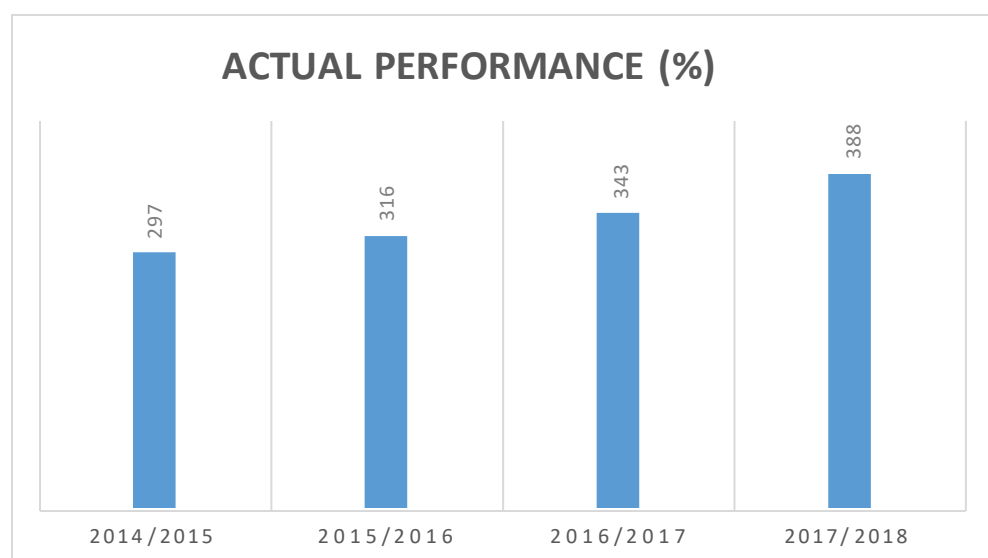


Figure 34: Employment Equity target groups employed in the three highest levels of management: Female employees in Middle Management

Forty five additional females have been appointed at middle management level by June 2017 compared to June 2018. The trend shows a year on year increase in performance. The council adopted targets are based on the provincial targets.

The percentage of a Municipality's budget actually spent on implementing its workplace skills plan;

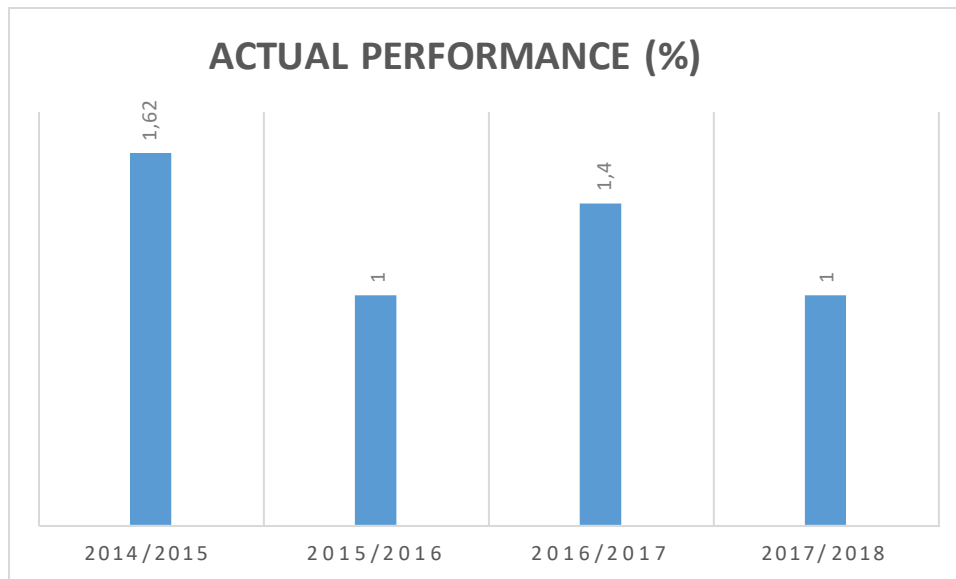


Figure 35: Percentage of Expenditure on Workplace Skills Plan

Percentage expenditure on the implementation of the City's workplace skills plan decreased from 1.4% for 2016/17 to 1% for 2017/18, however the target of 1% for the financial year 2017/18 was met. The norm is 1% of payroll which was met during the financial year.

Debt Coverage Ratio

The chart below reflects that the debt coverage ratio has increased each year. The debt coverage ratio is a measure of the cash flow available to pay current **debt** obligations. The Municipality's target is 11 times which was over achieved with 18 times.

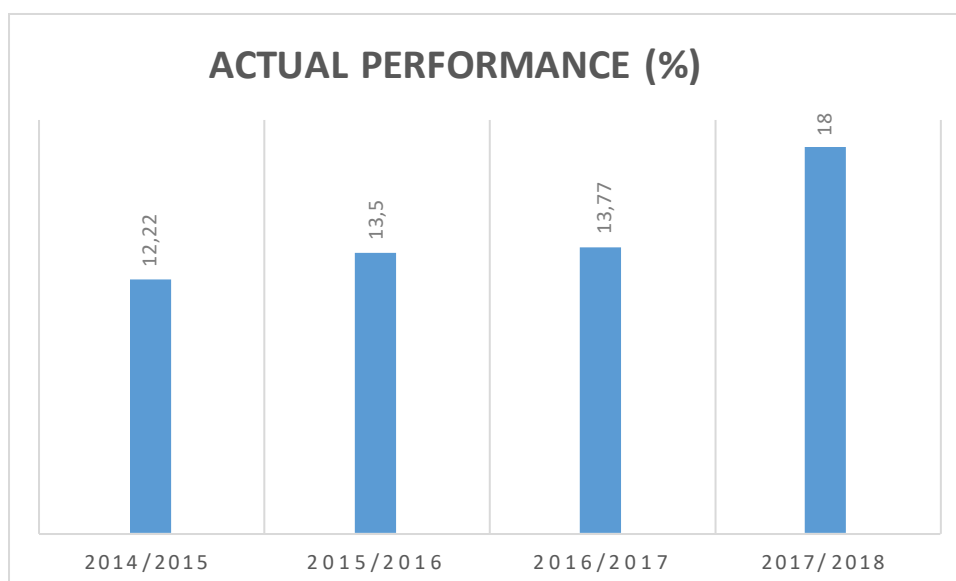


Figure 36: Debt Coverage Ratio (No. of times)

Cost Coverage Ratio

The cost coverage ratio reflects the ability of the municipality to cover fixed operating expenditure with available cash and investments. The ratio has decreased from 3.53 to 2.85 from 2016/17 to 2017/18. The National cost coverage norm is 1 month to 3 months. This reflects that the Municipality has sufficient cash reserves to fund monthly fixed operating expenditure.

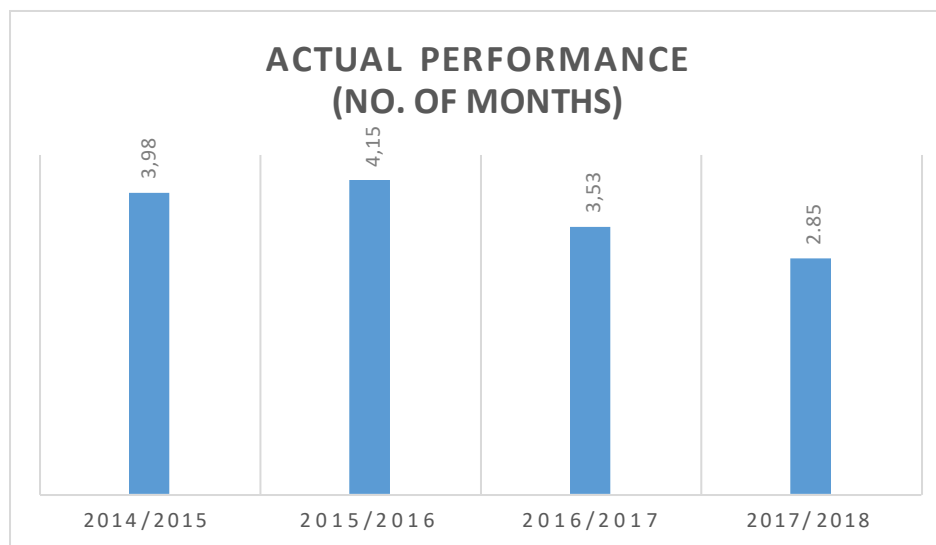


Figure 37: Cost Coverage Ratio (No. of months)

Outstanding Service Debtors to Revenue

The Outstanding Service Debtors to Revenue reflects the comparison of the total outstanding service debtors to annual revenue actually received for services. This reflects the municipality's ability to ensure that outstanding debt is minimised. The Municipality's target was 38% outstanding service debtors to revenue which was over achieved with 37.06%.

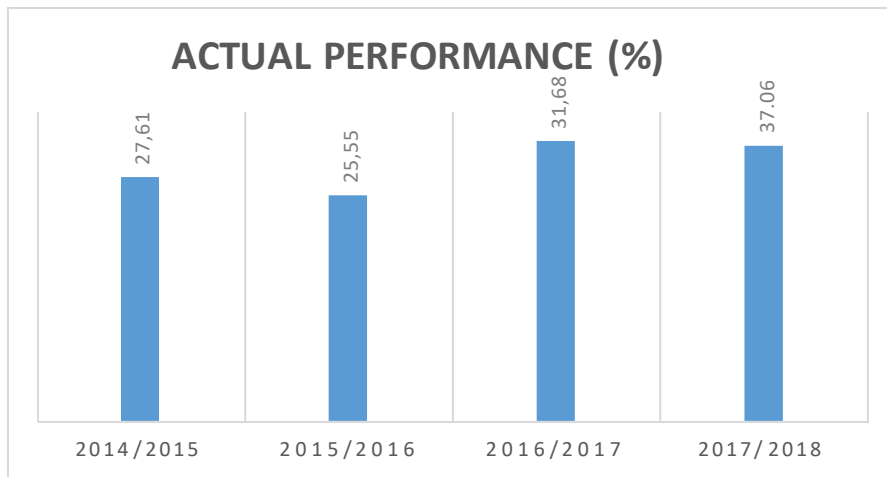


Figure 38: Outstanding Service Debt to Revenue

Comparison of performance for the municipality and its entities with previous financial year

The table below reflects the summary of performance for the Municipality and its entities. Each plan reflects the number of KPI indicators being measured, the number of KPI's achieved and the number not achieved

			Results for 2016/17				Results for 2017/18				
			Total	😊	☹️		Total	😊	☹️		
Plan 1	Philip Sithole	Develop and Sustain our Spatial, Natural and Built Environment	7	7	0	100.00 %	9	9	0	0	100.00%
Plan 2	Phillip Sithole	Developing a Prosperous, Diverse Economy and Employment Creation	12	6	6	50.00%	17	12	5	0	70.59%
Plan 3	Philemon Mashoko / Beryl Mphakathi / Adrian Peters	Creating a Quality Living Environment	35	20	15	57.14%	35	26	9	0	74.29%
Plan 4	Dumisani Bhengu	Fostering a Socially Equitable Environment	9	8	1	88.89%	8	6	2	0	75.00%
Plan 5	Dumisile Nene	Supporting organization design, human capital development and management	17	13	4	76.47%	16	12	4	0	75.00%
Plan 6A	Dumisani Bhengu	A vibrant and creative city-the foundation for sustainability and social cohesion.	6	5	1	83.33%	6	5	1	0	83.33%
Plan 6B	Dumisani Bhengu	Stadia Facilities Unit	12	7	5	58.33%	3	1	2	0	33.33%
Plan 7A	Sipho Cele	Good Governance and Responsive Local Government	7	5	2	71.43%	7	6	1	0	85.71%
Plan 7B	Sipho Nzuza	Good Governance and Responsive Local Government	6	5	1	83.33%	5	5	0	0	100.00%
Plan 8	Dr Krish Kumar	Financially Accountable and Sustainable City	15	12	3	80.00%	11	8	3	0	72.73%
Overall achievement rate (%)			126	88	38	69.84%	117	90	27	0	76.92%
Entity: International Convention Centre (ICC)			27	21	6	77.78%	18	13	5	1	72.22%

Entity: Ushaka Marine World	17	13	4	76.00%	17	15	2	0	88.24%
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Table 11: Summary of Performance for the Municipality and its Entities

3.1.5 ANALYSIS

The overall performance of the Municipality is 76.92%, whilst the International Convention Centre's performance rate is 72.22%. The Ushaka Marine World's performance is very positive at 88.24%. With reference to the Municipal Scorecard, Plan 6B (Stadia facilities unit) is the lowest performing plan with an achievement of 33.33%. Plan 1 and 7B are the most successful plans with 100% achievement on their Key Performance Indicators (KPI)'s. The detailed analysis of the performance of the basic service delivery units follows hereafter.

3.2. WATER PROVISION

The eThekweni Water and Sanitation Unit is responsible for delivering sustainable water and sanitation services to the eThekweni Municipal Area. During the financial year the Unit was faced with many challenges which included the worst drought in many years, unfavorable social / political intervention / local forums interference and demands, poor performance by design consultants and main contractors, hard rock / steep terrain / unfavorable locations not conducive to infrastructure construction or suitable for Human Settlement development which is an on-going challenge hindering construction.

2017/ 2018 KEY PRIORITY PROGRAMMES /PROJECT

Sanitation

Total Revenue from July 2017 to June 2018 = **R 1,895,550,991**

Total Expenditure from July 2017 to July 2018 = **R 1,685,192,718**

Total revenue: Sanitation

Water

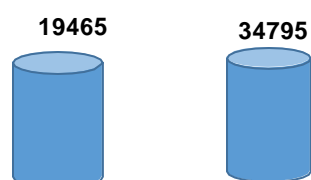
Total Revenue from July 2017 to June 2018 = **R 6,280,558,988**

Total Expenditure from July 2017 to June 2018 = **R 6,595,757,347**

Total revenue: Water

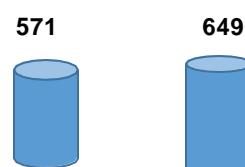
Water Intake from Umgeni

For the Period July 2017 to June 2018 was **321,332(Ml)**



EThekweni Potable Water

Production for the period July 2017 to June 2018 was **6841 (Ml)**



DROUGHT WATER RESTRICTIONS MANAGEMENT

During the period of the drought restrictions, eThekweni Municipality implemented various initiatives to ensure that the potable water supply systems were kept intact and that all of our residents were equitably supplied.

Some of the key initiatives were:

- Extensive public awareness and streamlined use of the media;
- Acute management of the water supply volumes and loss reduction strategies;
- Creation of a faster reporting system for bursts and leaks via WhatsApp which included GPS location of mains breaks;
- Pressure reduction to avert frequent spikes in the pressure;
- Installation of 440 000 restrictor washers at domestic meters;
- Installation of air-valves and surge anticipating valves to regulate the water supply by preventing airlocks and pressure surges;
- Notifications on the utility bills informing customers of the need to save water;
- Encouragement to recycle water for industrial use which was adopted by many industries; and
- Employment of operational staff to ensure quicker response times to isolate bursts and leaks.

Following a decision taken by the Umgeni System Joint Operating Committee (Umgeni JOC), it was confirmed that the dam storage levels have improved significantly with an average storage on the Umgeni System of greater than 70%.

The Department of Water Affairs has, after careful consideration of the facts, recommended to the Minister the relaxation of the Drought Restrictions which were imposed at eThekweni, Msundusi and uMgungundlovu Municipalities over the last 2.5 years.

WATER OPERATIONS LEAKS: FIELD FAULT CODE REPORT

The Department of Water & Sanitation has capped the total abstraction at 1200 Mega litres per day from the Umgeni System and review meetings will now be held quarterly to assess the current storage and imposition of further restrictions, should the situation worsen. The lifting of the drought restrictions is imminent and this is likely to be declared official by the Minister shortly.

WATER CONSTRUCTION – MAINS REPLACEMENT

The Water Construction Branch has exceeded their 'Planned' target for water mains replacements within the eThekweni Municipality. This is one of the City's responses to the 'War on Leaks' under the initiative to reduce water wastage. Their performance is reflected below;

Ad-Hoc Water Mains Replacement	Planned Metres (Cumulative)	Actual Metres (Cumulative)
July 2017	4580	7011
August 2017	9160	9081
September 2017	14885	10571
October 2017	19465	12755
November 2017	22900	14624
December 2017	22009	17165
January 2017	22900	19373
February 2017	25000	26981
March 2017	25000	28740
April 2017	30000	31750
May 2017	30000	34390
June 2017	30000	34630

Table 12: Water operation

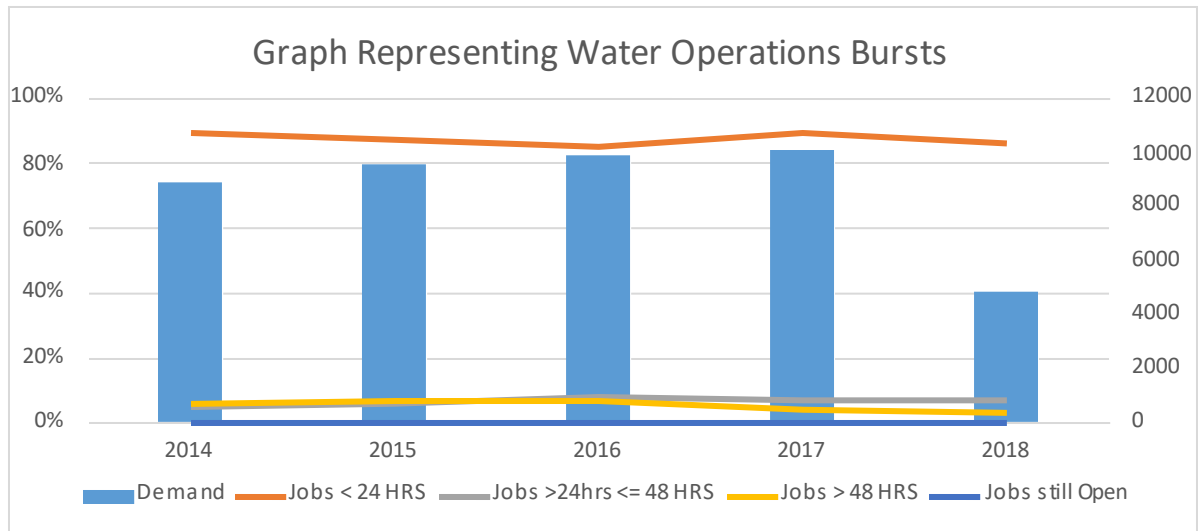


Figure 39: Water Operations Bursts

	2014	2015	2016	2017	2018
Demand	49650	50261	55636	64173	30349
Leaks < 24 hrs	53%	54%	52%	71%	74%
Leaks >24hrs <= 48 hrs	13%	14%	14%	13%	14%
Jobs > 48 hrs	34%	32%	34%	15%	11%
Leaks still Open	0%	0%	0%	0%	0%

Table 13: Operation Leaks

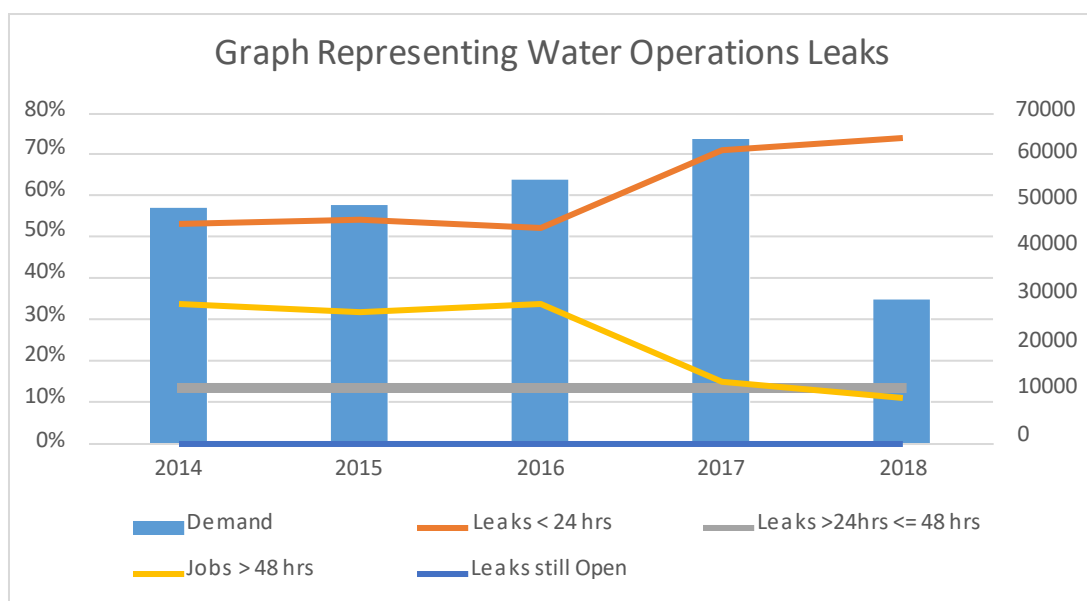


Figure 40: Water operations leak Graph

In the 17/18 financial year, the Southern and Central Wastewater Treatment Works both received coastal waters discharge permits, thus becoming the only municipal outfalls in the country to receive these permits from the Department of Environmental Affairs: Oceans and Coasts. These permits legalise the disposal of wastewater into the marine environment by the city under the strict legal requirements set out in these permits. The permits are valid for 5 years and can be reviewed by the Department should the need arise. The treatment works are audited annually by internal and external auditors to ensure compliance with the strict permit conditions and serve as protection for the marine environment against any non-compliances.

Southern Waste Water Treatment Works Upgrade Plans

Construction of 23 Ml/d Low Level Tank at Low Level Pump Station.2. Replacement of old landline portion of the sea outfall pipeline (approx. 70 m) with new HDPE pipe.

- Provision of a new sludge dewatering facility
- Refurbishment of existing low level pump station and provision of new 6,6 kV pumps
- Construction of new buildings and pump stations
- Provision of new electrical infrastructure (MV & LV); and
- Provision of new Candi Infrastructure

The EThekweni Municipality served a further 7500 households with water and sanitation

Key Performance Indicator as per Scorecard 17/18 Financial Year	Status as per Quarter 4
% of household with access to least a basic level of Water. Target 99.47%	99.38%
% of households with access to at least a basic level of Sanitation. Target 86.01%	88.34%
% estimated indigent households with access to free basic services: Water. Target = 93.29%	96.73%
% of estimated indigent households provided with free basic services: Sanitation. Target = 68.81%	72.62%

Table 14: 17/18 scorecard extract

SUCSESSES AND AWARDS

The Western Aqueduct project is the largest water project ever commissioned by eThekwinis Water and Sanitation to date. The Phase Two 14 kilometre stretch of water pipeline extending from Inchanga Station to Ashley Drive in Kloof is complete. The pipeline comprises of sections of steel pipe between 1 and 1.4 metres in diameter and 18m in length. The Engineering teams of this JV Project were very sensitive to the impact of work done on residents, commuters and the environment. The pipelines now enhances the reliability of potable water in the eThekwinis region.

Winner of the SAICE community based awards The Provision of Water and Sanitation to Informal Settlements Project comprises the delivery of communal ablution facilities to informal settlements across the eThekwinis Municipality.

The purpose of the Project seeks to provide not only a secured supply of potable water and basic sanitation service, but also strives to restore dignity and to improve the quality of some of the poorest communities in the KwaZulu-Natal province. The estimated final contract value is in the order of R1 billion and the project is planned to be completed by September 2018.

3.3 ELECTRICITY PROVISION

EThekwinis Electricity supplies in excess of 745 000 customers in an area covering nearly 2 000 square kilometers. This encompasses the majority of the eThekwinis Metropolitan Region whilst certain outlying areas are supplied by Eskom. Electricity for the main supply to the Metro Region is purchased at 275 000 Volts from Eskom. EtheKwinis Electricity also purchases electricity from Eskom for Kingsburg, Mpumalanga and Magabeni. From these points electricity is transmitted and distributed for use by the full spectrum of customers ranging from the large industrial and commercial sector to the residential communities. The Unit effectively purchases just over 5% of the total energy generated by Eskom. EThekwinis Electricity operates under the Electricity Regulation Act, 2006. Its policies are determined by the Metropolitan Council of Durban and the National Energy Regulator of South Africa (NERSA).

The current negative growth trend experienced in energy sales is a startling reminder of the energy sector can be seen as a mirror of the local and national economy. The rising costs of everyday life prompt beckon our customers to tighten their belts. The unit strives to bring a certain amount of relief to our customers by keeping the cost of electricity as low as possible while simultaneously ensuring that the system is well maintained and able to provide a vital service that represents true value for money.

In the wake of the economically trying times, the unit was able to generate just over of R 12.5 billion from direct electricity sales. In order to keep our electricity grid working as efficiently as possible, 66% of this is being paid directly for bulk electricity costs. The balance of the 34% covers repairs, maintenance and employee related expenses.

The nature of our distribution network leaves it vulnerable to theft by would-be criminal elements of society. Infrastructure theft is rampant across the city and has far reaching consequences for us as a unit as well as the communities we serve. These incidences of theft not only hurt the unit financially, but also translate to health hazards to nearby customers. Incidences of live wires left cut and unattended as well as small to large scale outages are just a few of the ramifications experienced as a result of infrastructure theft. Normal outages caused by apparatus failure and equipment age are inevitable when operating a distribution grid, however the scourge of infrastructure theft increases the problem many times over. The unit is trying by all means possible to curb this negative phenomenon as consequential loss continues to increase, however the vast nature of our distribution network places additional pressure on our already strained resources.

There has been a welcomed amendment to the Criminal Matters Amendment Act regarding infrastructure theft. The amendment places stricter measures for the granting of bail and the sentencing of offenders that are involved in infrastructure theft that negatively affects the provision of basic services to the public. We are confident that this amendment to the act will play a vital role in discouraging theft.

Electrification programs were ongoing during the year and we managed to connect 9873 new customers to the grid despite the numerous challenges in making these services available to the end customer. Electrification of informal settlements remains one of our top priorities as we believe that this may help in decreasing the rate at which electricity

theft is occurring at present. We aim to make a positive impact on the lives of informal settlement households by making our services more readily available and thus removing the need to seek alternative ways of receiving them. We endeavor to ensure that more deserving families are able to enjoy the benefit of our Free Basic Electricity (FBE) policy, which is designed to help indigent households within our city by providing them with electricity at a reduced rate as well as an additional 65 kWh free provided they meet the minimum criteria.

In an effort to increase our customer satisfaction, we have started on a journey towards modernizing and optimizing our customer experiences. Having said that, our call centres were kept busy during the year as they logged thousands of faults on a monthly basis. During the course of the year, a large portion of reported faults were as a result of either by electricity or infrastructure theft. Faults teams responded to all outages and ensured that power was restored.

The migration of our customer base to the new and improved Revenue Management System (RMS) is almost complete. Initially, there were a few teething problems in the early stages of the migration but the unit was able to resolve all of the queries effectively and efficiently. As a unit, we are eager to explore the new billing system and take advantage of its enhanced capabilities to smoothen our operations in order to better serve our customers better. Although we have just started using the new system, we are already planning on new and innovative ways to use it to bring us closer to meeting the wants and needs of our ever-evolving customer base as we move towards a more modern service delivery relationship with our customers.

We are currently working towards designing and preparing a comprehensive embedded generation framework that will cater for the entire spectrum of our customers. Once completed, this will enable small scale residential embedded generators, large industrial customers as well as the complete customer base in between to be able to introduce excess energy, generated from their embedded generation, into our grid for public consumption. We believe that this is a positive direction to move into as generation technology becomes cheaper against a backdrop of rising electricity prices. Once launched, the program will allow for the off-setting of generated electricity at a rate equivalent to the bulk electricity purchase price. Stringent technical and commissioning

criteria will be enforced, prior to the connection of these generators to the grid to ensure conformance with power quality standards as set out by the Regulator.

2017/2018 KEY PRIORITY PROGRAMMES/PROJECTS

High Voltage Network Reinforcement

The High Voltage Operations Department is key to ensuring that the electrical backbone into the City keeps track of increasing spatial demand.

The Department's 20-year Network Master Plan has highlighted a growth of 900 MW in the North due to rapid development in and around the aerotropolis. An additional 120MW of load growth is forecast for the same period in the Shongweni area owing to release of land for development by Tongaat Hullet. The first development in the area will be a shopping mall that will serve as a catalyst for further development in the region over the coming years.

This project is currently in the initial planning stages, but is expected to pick up traction as more stakeholders come onboard.

Advanced Distribution Management System (ADMS)

Controlling the network and managing the people working on a power system is fundamental to ensuring a safe and reliable power system. The ADMS being implemented by eThekweni Electricity delivers increased productivity and efficiency with active network optimization and control.

The approach that has been adopted in implementing the ADMS is that of multiple stages, five to be precise. In Stage 1 a pilot is implemented with limited portion, about 5%, of the electrical network in the Southern Area which will be configured with limited functionality such as Outage Management System (OMS), Distribution Management System (DMS), Distribution Power Analysis (DPA) and SCADA. This stage has been delivered and is available on site and will be used for the development remaining requirements and training of eThekweni Electricity personnel.

Stage 2 which is currently in progress is configuring the rest of the functionality and doing the bulk of the electrical network diagram. In stage 3 the interfaces are configured and stage 4 will be based on the full network diagram, new features currently being developed and functionality configuration such as OMS, DMS, Mobile and Reporting will be loaded. Stage 5 will be go live and thereafter Maintenance and Support.

Advanced Metering Infrastructure (AMI)

The AMI programme is responsible for the implementation of Smart Metering which entails installation of smart meters, associated equipment such as communications modem, Customer Information Units and Data Concentrators as well as Multi-Vendor Master Stations (MVMS) and Meter Data Management System (MDMS). Integration of all these components will ensure a seamless end-to-end bi-directional communication flow.

Embedded Generation

EThekweni Municipality has come under tremendous pressure from the public, to introduce a mechanism to allow for the export of generated energy. Many installations have gone ahead without approval from the city and this has resulted in meters reversing, posing a severe financial risk to the municipality. Unknown reverse power flow also creates a safety hazard. If left unattended, the situation would become unmanageable.

In an effort to gain control and manage these installations better, eThekweni Electricity has taken bold steps in implementing a small scale embedded generation framework. Some of the steps taken, include but not limited to:

- The implementation of an interim tariff structure for small scale embedded generation to create a simple buy back mechanism for generated electricity;
- Development of small scale embedded generation application process; and
- Commissioning report.

PERFORMANCE TREND FROM 2013/2014 TO 2017/2018 FINANCIAL YEAR

	Total Use of Electricity by Sector (MWh)					Electricity losses
	Business	Street Lighting	Industrial	Residential Credit	Residential Prepaid	
2013/2014	2 263 456	112 539	4 688 943	2 644 042	840 892	6,11%
2014/2015	2 042 812	118 166	4 641 845	2 505 800	878 207	7,70%
2015/2016	1 968 393*	124 074	4 725 934	2 271 613*	894 272	10.71%
2016/2017	2 092 228	130 278	4 631 118	2 584 893	851 777	7.64%
2017/2018	2 337 910	136 792	4 448 131	2 470 831	844 961	7.11%

Table 15: Total Use of Electricity by Sector

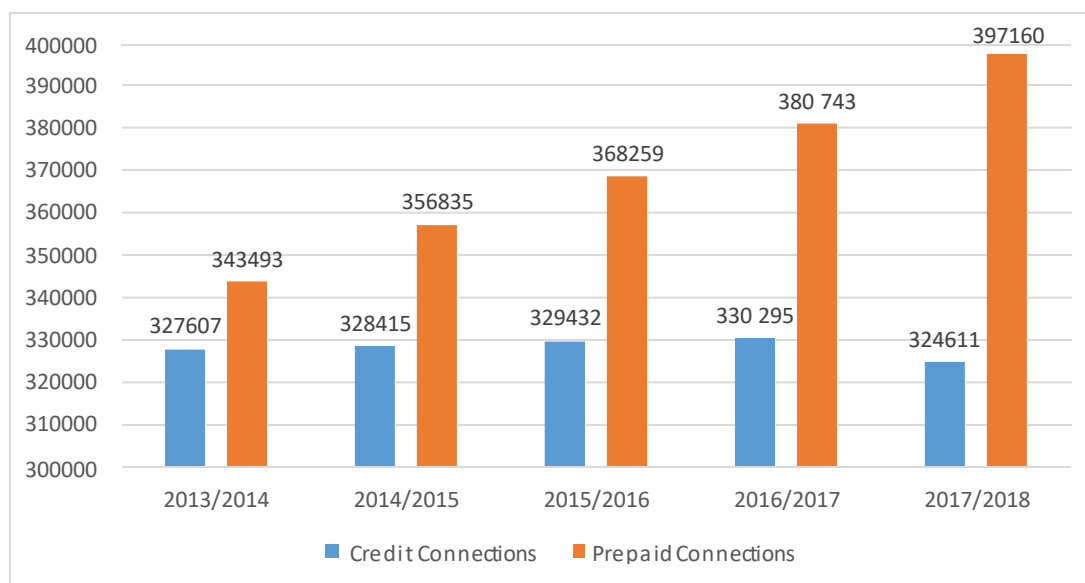


Figure 41: Credit connections vs. prepaid connections

Electricity Service Delivery Levels			
Description	2015/2016	2016/2017	2017/2018
	Actual No.	Actual No.	Actual No.
Total number of households that have electricity	697 714	711 061	721 771

Table 16: Households that have Electricity

CHALLENGES AND MITIGATIONS

- The theft of infrastructure is an ongoing challenge that plagues the unit on a daily basis. The ramifications of which range from streetlight outages to wide-scale electricity outages to communities across the region. This includes an aggressive electricity reticulation program.
- Due to economic slump the unit has realised an almost zero sales growth for many years.
- Part of this low growth scenario can be attributed to energy efficiency and climate change awareness and the gradual uptake of renewable energies.
- Rugged and unsuitable terrain, property owned by private sector, capital funding and various Supply Chain Management and other operational constraints.

SUCSESSES AND AWARDS RECEIVED

The unit has successfully electrified over 8000 indigent homes located in informal settlements through a robust Informal Settlement Electrification Programme. This was achieved despite various challenges such as rugged and unsuitable terrain, property owned by private sector, capital funding and various Supply Chain Management and other operational constraints. The Unit spent on capital infrastructure to ensure a reliable and robust network to meet the needs of its citizens and growth of new commercial and industrial nodes.

FUTURE FOCUS - 2018/2019

As customer demands grow, the Unit needs to respond by introducing new technologies and innovative thinking to satisfy a much more aware customer base.

The implementation of a holistic Smart Grid Technology Deployment Strategy has been adopted and includes Distribution Automation, Integrated Control and Protection, an advanced Communication Networks incorporating an optical fibre backbone, Automated Metering Infrastructure, Asset Management and SCADA; all connected via an advanced Communication Network residing on a fibre optic backbone and mapped on a GIS platform. The future heralds' new and exciting challenges and the Unit must counter these with enhanced skills and new generation thinking.

3.4 WASTE MANAGEMENT

The Cleansing and Solid Waste Unit (CSW) of eThekweni Municipality is the leading provider of a comprehensive Waste Management Services. The Unit is committed to making eThekweni a clean, healthy and safe City by 2030. The CSW's network of business and operations includes 32 operational centres, 7 Transfer Stations, 3 Landfill Sites, 22 Recycling Centres, 3 Landfill Gas Projects and 2 Leachate Plants. These assets enable CSW to provide a full range of services to residential, industrial and commercial customers.

Brief overview of the unit's performance

Notwithstanding numerous disruptions in service delivery, great improvements have been accomplished by the Unit. More than 100% has been achieved in two KPI's being the percentage of households with access to a basic level of Solid Waste and the percentage of estimated indigent households with access to a refuse removal once a week.

A once a week refuse removal service is provided to 1 039 220 households, 595 833 being formal households and 443 387 informal. New dwellings/informal settlements are continually being identified and this creates a moving target which is addressed on an annual basis. All major streets within the Central Business District (CBD) area are provided with street sweeping services 3 times a day. High pressure washing of streets and pavements are undertaken at night particularly in all hot spots areas within the city.

The Freeways and National Roads within eThekweni Municipal Areas (EMA) are cleaned with mechanical sweepers on a planned schedule. CSW has engaged 366 Community Based Contractors and 33 major contractors to provide domestic refuse collection and litter picking in contracted areas. The annual total spend on the Township Contractors and Community Based Contracts amounts to R313 million generating employment for 2500 people within the community. The figures are based on the new audited scorecard outcome.

Description	Households		
	2015/2016	2016/2017	2017/2018
	Actual No	Actual No	Actual No
Solid Waste Removal: (Minimum level)			
Removed at least once a week	945 910	945 910	1 038 607
Solid Waste Removal: (Below minimum level)			
No rubbish disposal	Nil	Nil	Nil
Total number of households	945 910	945 910	1 039 220
Breakdown:			
Formal Settlements – households	421 329	524 581	595 220
Informal Settlements –households	524 581	421 329	443 387

Table 17: Refuse removal

2017/2018 KEY PRIORITY PROGRAMMES/PROJECTS

The strategic focus for CSW is to meet the IDP objective for the plan of creating a quality living environment (Plan 3). The following projects were planned for the 2017/18 Financial Year.

Shongweni Landfill Site

The capital funds (R12 million) allocated for the construction of the Shongweni Landfill site did not materialise due to the delay and pending clearance of appeal process of the licensing process with the authorities. The Shongweni Landfill site is planned to accommodate waste from the Outer West Region. In light of the delays, additional landfill space will be constructed in Illovu landfill Site to create more airspace.

Lovu Landfill Site

The budget provision for the Lovu Landfill construction was R11million. However, this budget could not be fully spent due to administrative delays. This project will be rolled over to the new financial year and funding will be sought via an adjustment budget.

Buffels Draai Landfill - Gas Cleaning

The R30 million that was budgeted for Buffelsdraai Landfill Gas was not fully utilized for the 2017/18 Financial Year. The first phase of the project has been completed in 2017/18 Financial Year and the second phase of the project is anticipated in the new financial year. To date, CSW has established the first phase of the project through landfill gas extraction equipment and gas well installation within the waste body rendering the delivery of some 100Nm³/hr which will continue to be supplemented as part of the site development plan. This potential landfill gas is conveyed to an onsite flare where the methane is converted to carbon dioxide which is some 26 times less harmful in greenhouse gas effect than methane. The second phase of the project is intended to establish a landfill gas cleaning/conditioning plant to upgrade the landfill gas to equivalent vehicular fuel quality for use in selected CSW Fleet.

CHALLENGES

- Protest action - work stoppages remain a challenge not just for the unit but for the city as a whole. This seriously hampers service delivery.
- Recycling programme - the unit was not able to achieve the original target percentage of 8%. During the Mid-term adjustment period the target was revised to 6.5% however, in quarter 4 the Unit achieved 7.4%. In order to meet the KPI target
- Inadequate landfill facilities - the delay in acquisition of the proposed Shongweni Landfill has negatively affected the airspace security for the city as existing landfill sites are placed under extreme capacity strain. The negative publicity of the Landfill site impacted on CSW's final approval of its Waste Management License and Environmental Authorisation for its Shongweni Landfill. This has a ripple effect on the existing CSW Mariannhill Landfill Site which is now faced with imminent closure as waste from the western and central areas are shock loading the landfill. It is predicted that the site will reach capacity by the latter part of 2018 leading to a potential waste crisis in the western region.

MITIGATIONS

- The impact of disruptions was moderated in line with the Unit's Business Continuity Plan.
- The Unit has flagged this as a priority 1 risk and has been included in the City Wide Register.
- The Unit is reconceptualising the recycling programmes by incorporating this programme into waste removal contracts.

SUCSESSES AND AWARDS RECEIVED

The Durban Landfill Gas to Electricity Projects

These projects continue to be successful. The project (CDM ID 0545) at our Marian-hill landfill site has had seven successful CER assurances and has re-registered with the United Nations Framework Convention on Climate Change (UNFCCC) for an additional seven years under the new ACM0001 methodology. The site remains open to domestic refuse and we continue to extract landfill gas and generate 1MW of renewable energy into the municipal's electricity network.

The Durban Landfill Gas Bisasar Road (CDM ID 1921)

Has also been re-registered under the new methodology and on the 7th June 2018 was successful in the issuance of 724,411 CER's for periods 3, 4 and 5. This is one of the largest issuances ever received by any project in South Africa. The site continues to generate up to 4MW of renewable energy into the municipal grid.



Figure 42: Landfill Gas to Electricity Project

Ccac Sustainable Climate Action Award

The Climate and Clean Air Coalition was awarded to the CSW Unit at COP23 in Bonn, Germany in November 2017. This accolade has demonstrated the Unit's commitment to ensure best landfill practices.

UKZN Award

The University of Kwa-Zulu Natal had recognized the Cleansing & Solid Waste – Plant & Engineering Section for its ongoing support, commitment and advancement in the research and development in waste management.

Successful Projects

CBD and Isipingo Clean-up Operation

The Unit has developed a long term strategy that will contribute towards the regeneration and renewal of the City's strategy. This strategy involves an integrated approach with other Units such as the Trading and Economic Development Cluster and Metro to address illegal trading, illegal businesses, dumping and other contraventions through the enforcement of by-laws.



Figure 43: Isipingo CBD Clean-Up Operation

Comrades Marathon

The Municipality's CSW Unit was appointed as the official waste management service provider for the 93rd Comrades Marathon. The waste management for the event included a day and night shift team in operation ensuring that all litter was picked up, streets were swept and affected areas washed. The main focus of the waste management plan for 2018 was ensuring that the City is clean prior to the event and maintained thereafter.



Figure 44: Clean up after the Marathon



Figure 45: National Clean up month



Figure 46: Dim Dep DVD Launch

The city of Ethekewini partnered with the Dim Dep production to bring theatre and entertainment to the public. The launch of the Mayor's Healthy city initiative is a combination of education, healthy lifestyle and an active citizenship.

Awareness Campaigns



Figure 47: Keep our Community Clean Campaign

During the month of September, awareness campaigns were held in various community areas encouraging public participation to keep their areas clean. More than 200 residents were engaged and were entertained including snippets from the theatre production and were entertained with live band/musicians.

Recycling Programme



Figure 48: Sorting of recyclables

The Domestic Recycling Programme is offered to approximately 400 000 households in eThekweni and the collecting rate is approximately 13 000 tons of recyclables annually. In addition to the above, CSW has 22 recycling centers strategically located within eThekweni boundaries making it easily accessible to residents. The CSW's education team continuously engages with the communities and schools in each area educating them on proper waste management practices. The programmes implemented involves clean up campaigns, environmental day celebrations, school programmes, community awareness workshops and is extended to the 13 districts in eThekweni.

Training



Figure 49: Training in session

CSW provides corporate waste management training to both local and international delegates. The training encompasses landfill management, operations, business management, education and waste minimization and administration. During this year CSW received delegates from various Municipalities including Nquthu, Belgium, Buffalo City, Jamaica, and Tshwane Municipalities.

FUTURE FOCUS - 2018/2019

City Climate Change Strategy

The Unit is continually exploring better ways to reduce the climate change impact on its operation. The draft Climate Change Strategy is still in the process of being finalized.

Asset Management Plan

The broader objective of IDP Plan 3 is to promote access to equitable, appropriate and sustainable levels of household infrastructure and community services and facilitate access to housing. The Unit's Infrastructure Asset Management Plan is 75% complete and it will be finalised by in the new financial year 2018/19.

The Infrastructure Asset Management Plan is aligned to and forms an integral part of the IDP as it is central to service delivery in the most cost effective manner through the lifecycle management of infrastructure assets for present and future generations.

Development of Shongweni Landfill Site

The Proposed CSW Shongweni Landfill Sites plays a critical role in hierarchy of the city's waste management for waste disposal adopting a closed loop best practice engineering. The new aged facility is envisaged to compliment any future alternative treatment option and thereafter adopt a "phased alternative technologies/solutions" which will be informed from the city's Integrated Waste Management Plan (IWMP).

3.5 HUMAN SETTLEMENTS

The purpose of the Unit is to develop new housing stock utilising the National and Provincial housing subsidies; address informal settlements through various housing interventions; develop, administer and maintain Hostels/Community Residential Units (CRUs); administer and maintain municipal rental stock; facilitate the development of new social housing projects (rental) as well ownership opportunities for the affordable market and also undertake remedial programmes (Title Deeds, Infrastructure Handover, Rectification of Infrastructure)

2017/2018 KEY PRIORITIES/PROGRAMMES/PROJECTS

The top priority of the Human Settlements Unit is to plan, build and allocate fully subsidized housing for qualifying beneficiaries.

The Unit is working towards reducing the housing backlog, in particular by addressing the housing needs of those families living in informal settlements. The provision of housing also contributes towards overcoming the legacy of spatial segregation and inequality in the city.

Planning and delivery of integrated human settlements aims to increase densities along transport corridors, improving affordable access to social amenities and work opportunities for residents.

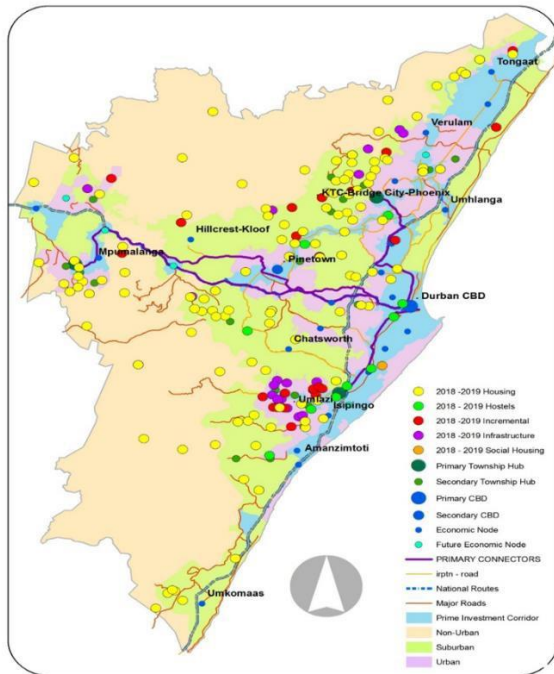


Figure 50: Map of delivery of housing opportunities

The delivery of housing opportunities is described in the chapter titled “delivery trends”. Additional strategic initiatives for 2017/18 include:

Title deeds restoration

2299 title deeds were submitted to the Deeds Office for registration during 2017/18. 1216 title deeds were received from the Deeds Office. 1284 title deeds have been issued to owners and a rollout programme to encourage beneficiaries to collect their deeds has been prepared.

Cornubia Integrated Human Settlement

Cornubia, one of the largest integrated human settlement projects countrywide and one of the Cabinet endorsed national priority projects, is a ground-breaking model of integrated development and a significant attempt to counter apartheid-era planning and address pervasive urban sprawl in modern day South Africa. Phase 1A, the pilot phase, comprises 482 units, all of which are completed and occupied. Phase 1B consists of 2180 units, the bulk of which are now complete and occupied.

Tongaat Hulett's Development's Commercial Industrial Business Estate (CIBE) is completely sold to businesses, several of which have opened for operation. Cornubia Mall opened in October 2017. These initiatives are already providing employment opportunities to residents.



Figure 51: Aerial view of Cornubia Phase 1 and part of the Cornubia Industrial and Business Estate

Phase 2 comprises an estimated 12 000 fully subsidized units as well as an equal number of privately developed units for middle-income earners. Detailed design and planning are underway, and the construction of services in phase 2A is to start during 2018/2019.

Umlazi Urban Regeneration

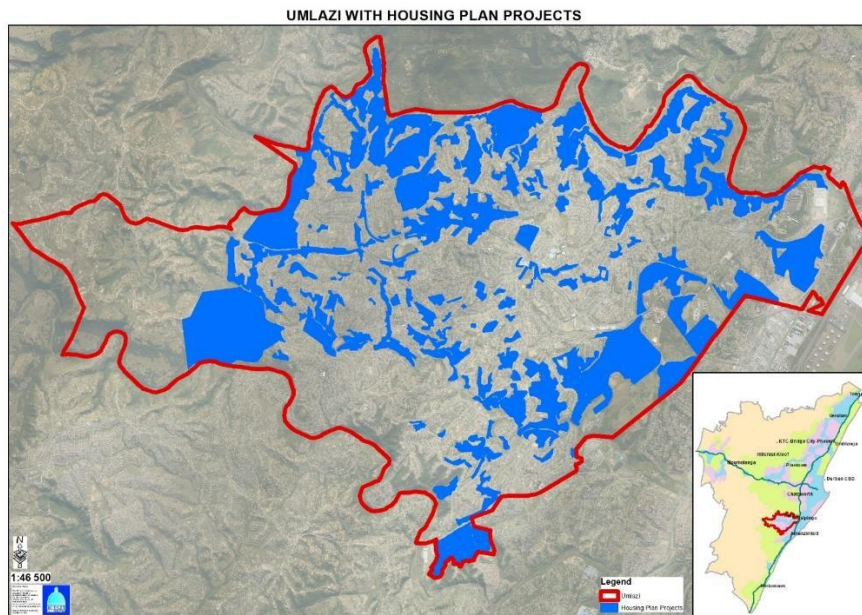


Figure 52: uMlazi housing project.

Location and scope of housing projects in Umlazi is the second largest former township in South Africa and comprises the largest cluster of informal settlements in the City. Funding of R882 million has been approved for the construction of 17 192 units, planned in 9 phases. 15 192 units have already been constructed. An additional 5 000 units are currently being packaged. Significant interim services have been provided in the informal areas.

CHALLENGES

- Lack of bulk infrastructure and serviced sites to support human settlements development. This is due to lack of funding and/or misalignment.
- Lack of well-located, suitable and affordable land for human settlement developments
- Protracted SCM processes
- People invade and occupy land which is unsuitable for housing development, due to geotechnical constraints, or environmental sensitivity
- No baseline on market studies in respect of Affordable Housing

MITIGATIONS

- USDG stipulates a minimum of 50% of the budget to be allocated towards infrastructure for human settlements. Spatial budgeting initiatives required to implement this integrated approach to prioritised human settlement developments.
- Unit has identified well located and suitable land for Human Settlements developments within appropriate ICDG zones. Additional budget to be set aside for acquisitions.
- An approved panel of service providers through turnkey contracts and professional service providers is in place to minimize lengthy SCM processes.
- Enforcement of Municipal By-laws. High level political support is required for the enforcement of By-laws to be a success. Municipality should pass laws which will make it an offence to invade municipal land. The By-laws should make it mandatory for the land owner to secure their land against invaders. Investigation of feasibility of planned settlement approach is underway.
- Restructuring zones approved to be analysed in detail. Development of tool has being undertaken together with City Support Programme and Centre for Affordable Housing.

SUCSESSES AND AWARDS RECEIVED

EThekweni Human Settlements Unit was once again recognized at the 2017 KZN Govan Mbeki awards. Emaphaleni in the Western region was winner in both the 'Best Informal Settlement Upgrading', and 'Most Beautified, Clean and Enhanced Neighborhood' categories. 'Best Integrated Residential Development Project' went to Cornubia in the North. Jacobs and Klaarwater Community Residential Units (CRUs) were deemed first runner up in the 'Best CRU' category, and Hampshire in the 'Best Social Housing Project' category.



Figure 53: Emaphaleni project, winner of 2 KZN Govan Mbeki awards

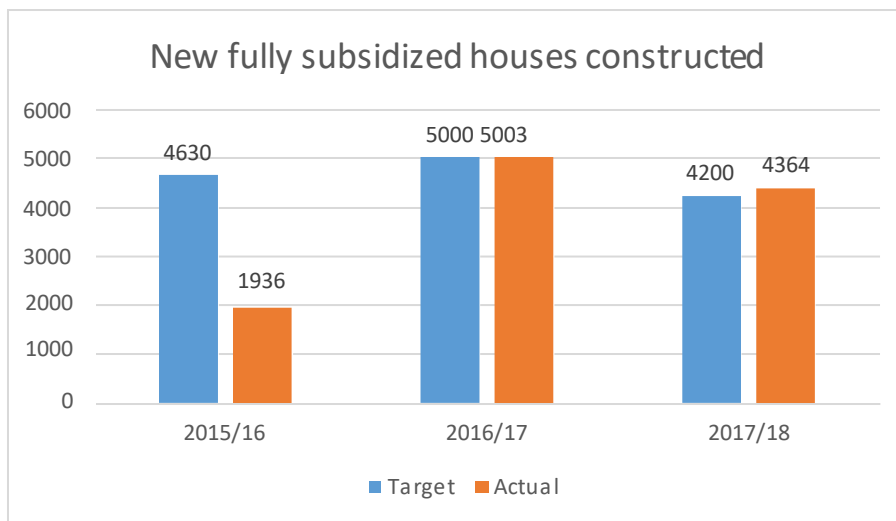


Figure 54: New fully subsidised houses constructed

The target for new fully subsidised houses in 2017/18 was 4200. This is linked to funding made available by the Provincial Department of Human Settlements. The actual number built was 4364. 1638 sites were connected to services under the BNG programme.

The target for upgrading, conversion and construction of new family units in Community Residential units (CRUs) in 2017/18 was 60. Socio-political dynamics in hostel precincts delayed completion of some units, leading to a small under-performance – 46 units were completed.

The provincial budget for refurbishment of pre-1994 units has been reduced from previous years. The target for 2017/18 was 275 units, while 280 were delivered.

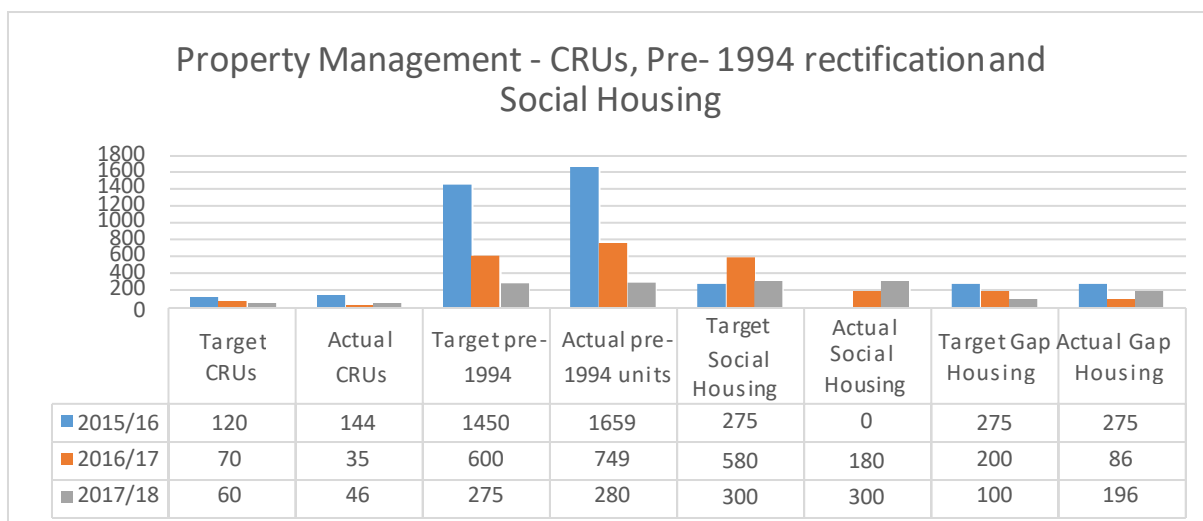


Figure 55: Property management

Social housing units are delivered in partnership with Social Housing Institutions (SHIs), who control the construction programme. Two (2) new social housing projects opened for occupation during 2017/2018. These two projects (Hamptons and Hilltop in Ward 65) add an additional 300 affordable rental opportunities for households whose combined income is between R3 500 and R15 000.

The gap housing programme has resolved some outstanding challenges which were preventing the issuing of certificates of occupation. This has enabled the reporting of units built in previous years as well as the houses built during 2017/18. Hence the target of 100 units for 2017/18 was exceeded, with 196 affordable housing opportunities created for the gap market.

In terms of incremental informal settlement upgrading, 6 299 households benefitted from the rollout of improved roads, footpaths and storm water control.

FUTURE FOCUS: 2018/2019

Mega projects are planned in alignment with City's Economic and Public Transport Catalytic Projects. They will require approximately R120 billion in capital investment in order to deliver between 170 000 and 270 000 housing opportunities.

5 mega projects have been approved by the National Department of Human Settlements and are as follows:

1. Greater Cornubia (comprising Cornubia Phases 1 and 2 and Cornubia North

2. Greater KwaMashu-Bridge City Urban Hub
3. Inner City
4. Greater Amaoti Informal Settlement Cluster
5. Umlazi Urban Regeneration

Expansion of the social housing programme

Social and gap housing are a key tool towards inner city regeneration and the development of a financially sustainable public transport system. Certain parts of the CBD have been identified as particularly suitable for this kind of development (see picture below). Several buildings in the inner city have been earmarked for possible conversion to social housing and a request for proposals is currently circulating to accredited social housing institutions. It is anticipated that an additional 10 000 housing opportunities will be created.

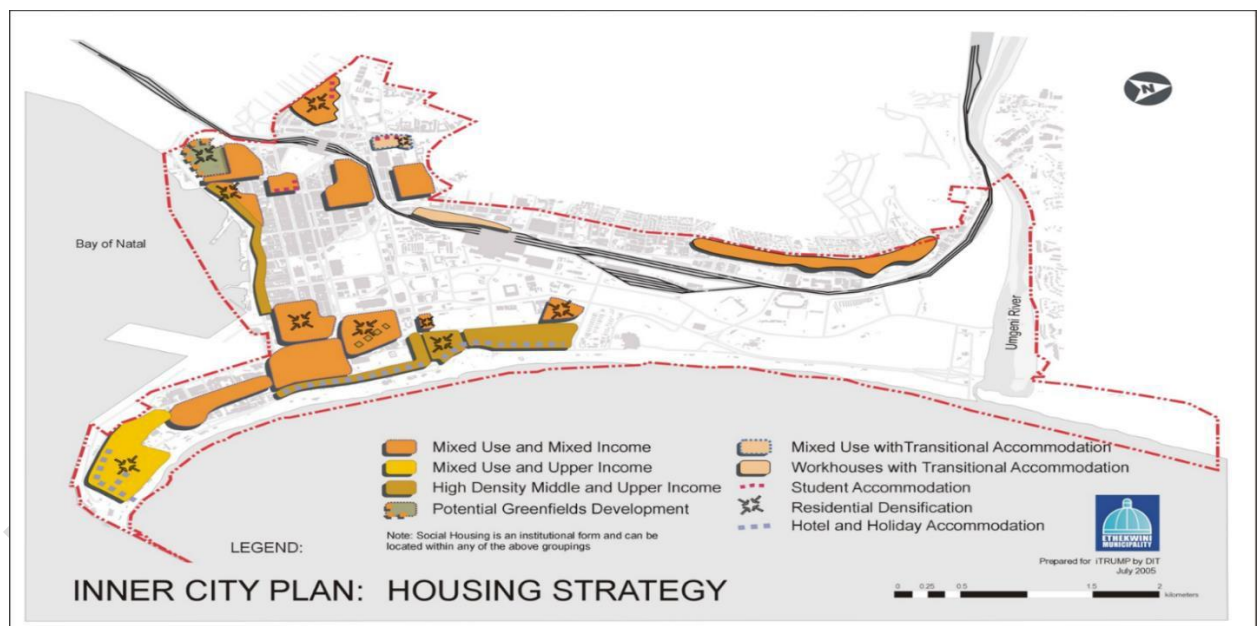


Figure 56: Inner City Housing strategy

Incremental Informal Settlement Upgrading

More than 250 000 households in eThekwin live in informal settlements. The city is rolling out an incremental services programme comprising:

1. Water standpipes

2. Communal ablution / sanitation blocks
3. Solid waste removal and emergency access
4. Basic road access and footpaths with related storm water controls
5. Electricity on a pre-paid basis

Over a 3-year period (2016/17 – 2018/19), the incremental service programme aims to:

1. Provide incremental services to 92 settlements
2. Extend the provision of services to an additional 45 300 households.

The City has also embarked on various additional initiatives in informal settlements to improve living conditions and empower residents. These include supporting Early Childhood Development Centres, establishing area based management capacity and deepening community engagement with upgrading plans and implementation.

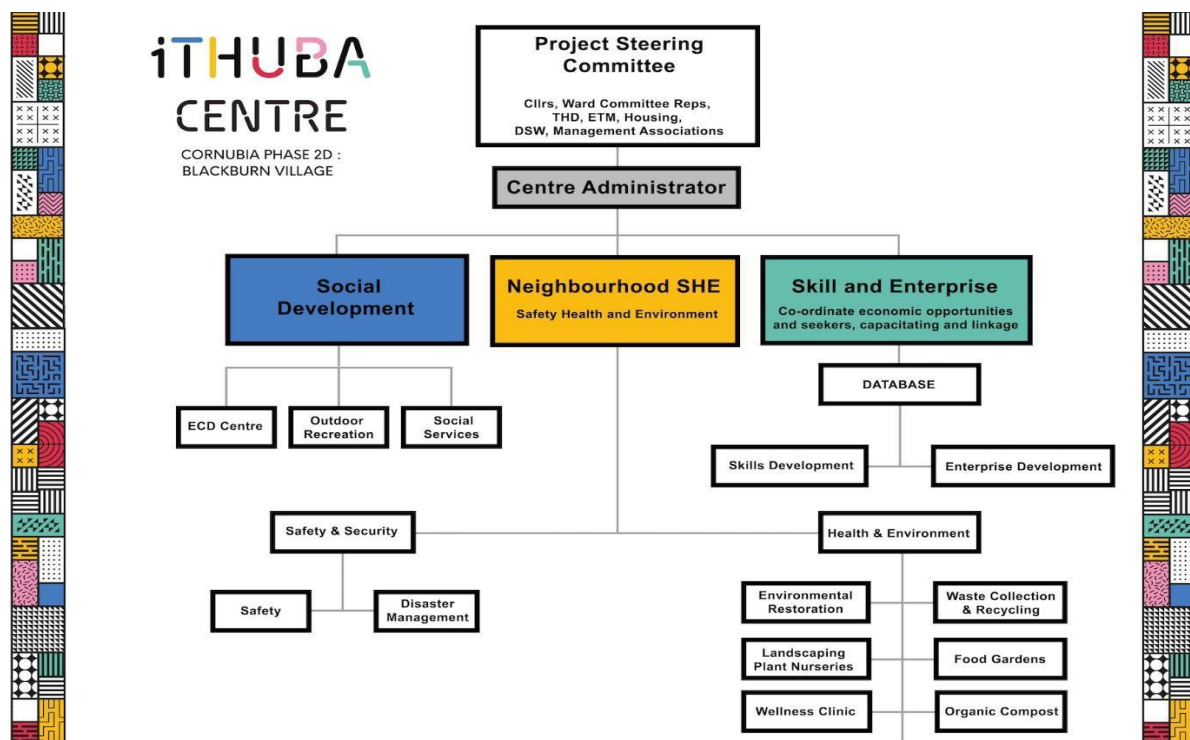


Figure 57: Cornubia phase 2D pilot plan

Blackburn Village, an informal settlement within the footprint of the Cornubia Integrated Human Settlement Project, is the location for piloting a new and expanded approach to informal settlement upgrading. Together with private sector partners Tongaat Hullett Developments, the City has established the iThuba Centre, an initiative to support social

development within the informal settlement. The project aims to audit and support skills development, connect residents to employment opportunities, establish an upgraded Early Childhood Development Centre, and promote a clean and safe living environment.

Improved stakeholder engagement is critical for success in this arena. EThekweni has secured a capacitation grant from the European Union to pilot a partnership-based model of incremental informal settlement upgrading over three years (2018-2020). The initiative is called iQhaza Lethu (Our Participation) and aims to mobilize communities to participate in upgrading and to create cross-sector institutional arrangements to roll out services and improve living in informal settlements.

Council has also mandated its political and administrative leadership to enter into a Memorandum of Agreement with the member organizations of the South African Shack Dwellers International Alliance. The SASDI Alliance are providers of expertise for precedent-setting, community-driven, participative and incremental programmes for the improvement of the circumstances of residents of informal settlements and backyard precincts.

The collaboration is for the purpose of improving the circumstances of residents of informal settlements and backyard structures within the Municipality's area of jurisdiction and that this partnership should entail mutually supporting one another's efforts, as well as identifying and implementing a series of joint interventions with regard to Informal Settlement Upgrading (inclusive of, but not restricted to, incremental improvement of services) as well as the Enhanced People's Housing Process delivery of houses.

3.6 ENGINEERING UNIT

The Purposes of the Unit is to provide engineering, building and built environment infrastructure surveying as well as land information services to residents, businesses and council management. The unit has 7 departments which are: Roads provision, Roads storm water maintenance, Coastal storm water and catchment management, Development engineering, Architecture, surveying and land information and infrastructure management and socio-economic development department

3.6.1 ROADS PROVISION DEPARTMENT

The road network represents a major investment that has been built progressively over a period of time. It is a highly visible asset that supports the local economy from a functional perspective in terms of both mobility and access. It is by far the single most valuable infrastructure asset that the council owns with a replacement value in excess of R110 billion.

Rehabilitation (Preventative Maintenance)

Through its Pavement Management System, the surfaced network undergoes a detailed inspection every two years, the data from which generates the rehabilitation programme. The inspection done in 2017/2018 informs the rehabilitation programme for the 2018/2019 and 2019/2020 financial years. The rehabilitation can range from seals to full reconstruction depending upon the condition of the particular road. Extensive use is made of recycling the old road pavement material where this is milled out. The Municipality has been at the forefront nationally in promoting new technologies including Warm Mix Asphalt (with less emissions and considerable energy and safety advantages) and High Modulus Asphalt.

New and Upgraded Road Infrastructure

Work ranges from provision of sidewalks, upgrading gravel to surfaced roads, building of road related structures through to freeway/arterial road projects. Implementation of major roads projects are informed through the Transport Authority's Integrated Transport Plan.

2017/18 Key Priority Projects

Service delivery achievements as at the quarter ending June 2018:

- Gravel to Surface Roads (high volume): 21.17 km
- Sidewalks: 70 km Scorecard 70.01 km
- Roads Rehabilitated (preventative maintenance): 290.57 km

Successful rollout of Community Infrastructure Projects in under developed wards. CIP Programme for Roads Provision is broken up into four regions ie Southern, Northern, Inner West and Outer West areas. We have successfully provided road infrastructure using CIP funding totalling to a value of R80million for the 2017/2018 financial year. This work included the construction of sidewalks, lanes, passages and basic access roads.



**Bekokuhle Road Ward 14 –
Access Road leading to School**



Usikhwama Road Ward 9

Figure 58: New and Upgraded Road Infrastructure

CHALLENGES

- The rollout of certain capital projects have been delayed by EIA and WULA issues.
- Several projects were delayed due to poor performance of contractors, there has also been work stoppages due to community related issues.

MITIGATION

- The Roads Provision Department and Engineering Unit are currently in discussion with the Department of Water and Sanitation on how to fast track this process.
- The Roads Provision Department is currently in the process of engaging the services of alternate contractors to complete the outstanding work.

SUCSESSES AND AWARDS RECEIVED

The department has received accolades in 2017:

- The M25-C9 Underpass won the Highly Commended for Technical Excellence 2017 award from the Durban Branch of the South African Institution of Civil Engineering. The M25-C9 Underpass was the overall winner of the Most Outstanding Civil Engineering Achievement for Technical Excellence at the South African Institution of Civil Engineering National Project Awards 2017 The M25-C9 Underpass was designed by an entirely in-house technical team made up of municipal employees from the Roads Provision Department.



Figure 59: The M25-C9 Underpass – Part of IRPTN C9 Corridor

PERFORMANCE TRENDS FOR THE PAST THREE YEARS INCLUDING

- **Gravel Road Infrastructure**

Year	Total gravel roads (km)	Gravel roads upgraded to surfaced (km) (High Volume Roads)	Gravel Roads Graded / Maintained (km) By RSWM
2015/2016	1491	21.02	1470
2016/2017	1470	14.61	1455
2017/2018	1455	21.17	1434

Table 18: Gravel road infrastructure

The statistics depicted in the above table relate to the upgrading of high traffic volume gravel roads. The estimated cost of providing these upgrades is R7.5 million/km.

- **Surfaced Road Infrastructure**

Year	Total Surfaced Roads (km)	Existing surfaced roads rehabilitated (lane km)
2015/2016	6804	118
2016/2017	6818	205
2017/2018	6848	290.6

Table 19: Surfaced road infrastructure.

The overall condition of the paved road network is measured by the Visual Condition Index (VCI).

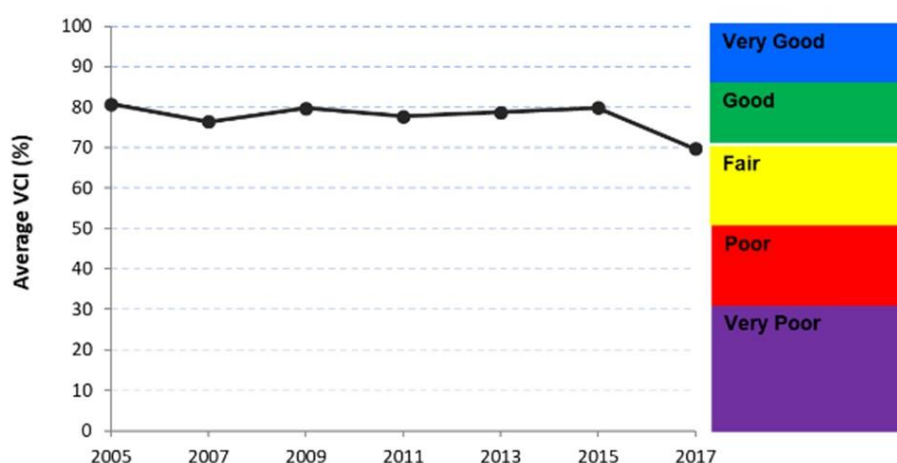


Figure 60: VCI Index

The network level visual assessments have been done biennially since 2003. The average network VCI of the paved roads in eThekweni municipality, based on the 2017 visual assessment data, is 70% indicating an overall condition category of “good”. This value has fluctuated between 76% and 80% since 2003, however the overall condition has shown considerable deterioration since 2015. The decrease in the VCI may be attributed to a road network that is deteriorating through age, aging materials in the pavement structure, delays in procurement processes and an increase in rainfall.

2018/2019 FUTURE FOCUS

The Roads Provision Department is planning to undertake the following work during the 2018/2019 financial year:

- Gravel to Surface Roads (high volume) : 12 km
- Sidewalks: 39 km
- Roads Rehabilitated (preventative maintenance) : 160 km
- Other key projects to be undertaken during 2018/2019 financial year include:
- The Upgrading of Vusi Mzimela Road Phase 2
- Upgrading of Harry Gwala Road, Phase 2

Another key project which will be undertaken in the 2018/2019 financial year will be the Rehabilitation of Solomon Mahlangu Drive, a key transport route linking the Port of Durban to the hinterland. The effective functioning of this route is critical to the sustained economic growth of the eThekweni Municipality region. A large focus will also be placed on clearing the backlog of unsurfaced roads in eThekweni Municipality.

ROADS AND STORMWATER MAINTENANCE

The Roads and Stormwater department undertakes routine inspection of the road and stormwater network; repairs to potholes, sinkholes and road subsidence; repair/ reinstatement of excavations, trenches and localized failures on roads and sidewalks; repair, maintenance and unblocking of stormwater drainage systems; replacement of missing covers, access lids and bollards; repair/ replacement of guardrails, handrails and roadside fencing; repair/ replacement of traffic lines and signs; blading, re-gravelling and associated maintenance works on gravel roads; stream cleaning and maintenance; rails siding maintenance and improvements; crack sealing and slurry sealing of roads; removal of rubble and sand from the road and road reserve areas; upgrading of low volume gravel roads; provision of an integrated road reserve cleaning and maintenance service to the higher order road network through the Priority Routes Programme; and provision of a road reserve cleaning and maintenance service to the lower order road network through the Zibambele Poverty Alleviation Programme

Routine maintenance within the Roads and Stormwater Department

Routine maintenance is defined as the day-to-day operational activities to keep the asset operating.

It may consist of planned maintenance activities but is generally reactive work of a corrective nature that is carried out in response to reported problems or defects (e.g.

potholes). Such work is undertaken for the purpose of restoring service as well as for mitigating the adverse effect of failure over time. Most of the work undertaken by the Roads and Stormwater Maintenance Department is undertaken in response to reported problems but a number of fixed interval initiatives have been implemented for the purpose of ensuring the reliability of certain infrastructure. The varied nature and extent of the roads infrastructure requires different service standards and hence the opportunity to implement service delivery mechanisms that meet other objectives such as job creation and skills transfer.

2017/2018 KEY PRIORITY PROGRAMMES/PROJECTS

Sihlancimvelu programme

The Sihlancimvelu programme is a co-ordinated approach between various Departments in dealing with the condition of 300km of the worst streams that impact on communities and the environment in the Umlazi and INK areas.

There are approximately 800kms of rivers, streams and canals within the eThekweni geographical region. Of these, approximately 470km are located within the target areas of INK (Inanda, Ntuzuma and Kwa Mashu – approximately 360 km) and Umlazi (approximately 110 km).



Figure 61: Sihlanzimvelo Programme - Water streams

The main purpose of the programme is to ensure that all watercourses in the eThekweni Municipality are brought to an appropriate standard and are maintained at that standard. This will safeguard communities from hazards found in watercourse and enrich the natural environment of eThekweni.

The programme is a joint initiative by the following departments:

- Coastal Stormwater and Catchment Management
- eThekweni Water Services
- Environmental Management Branch
- IMS
- Parks
- Solid Waste and Cleansing
- Health
- Vector Control
- Skills Development
- Roads and Stormwater Maintenance

Maintenance of the streams is undertaken by co-operatives that are predominantly resident in the areas being serviced.

Priority Routes

At present there are 9 contracts in place which cover 400km of the higher order road network. Monitoring of the contract activities is handled jointly between the Roads and Stormwater Maintenance Department, Durban Solid Waste and the Parks Department.

3.6.2 DEVELOPMENT ENGINEERING

The Department serves non- engineering Clients Departments such as Human Settlements, Parks Recreation and Cemeteries, Economic Development, etc. and manages an Annual Budget of approximately R259 million for Client Departments.

The department has the following functions:

- Urban renewal and economic development projects.
- Tourism and beachfront projects.
- Sport fields and recreation facilities.
- Cemeteries and informal trade facilities.
- Engineering services for low income human settlement development.
- The provision of Incremental Services (road and footpath access with stormwater controls) to informal settlements within the eThekweni Municipality.

2017/2018 KEY PRIORITY PROJECTS

The implementation of Incremental Services in the 2017/2018 financial year for road access, footpaths and stormwater control to 6 299 households in informal settlements across the entire Municipal area to the value of R50 million, on behalf of Human Settlements Unit.



Figure 62: Jan Roz Incremental Services – Ward 62

The Department has provided 1155 serviced units in the following areas for the Human Settlement Department:

1. Lamontville Ministerial Housing Project - Infrastructure and Top Structure Construction
2. Cato Crest (Nthuthuko Junction) Housing Project
3. Umlazi Housing Project at Section G20
4. Umlazi Housing Project at Section GX5 / WX1
5. Umlazi Housing Project at Section HX2
6. Umlazi Housing Project at Section BX4
7. Kloof extension 15 & 21(KwaBhontshisi)
8. Etafuleni Ph 1B-2 and 1B-3
9. Oakford Priory
10. Emona Sunhills Phase 1



BEFORE

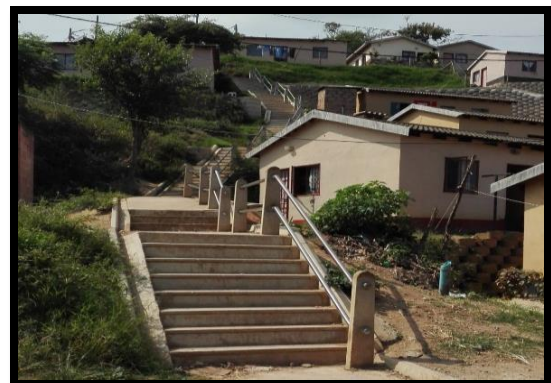


AFTER

Figure 63: Umlazi Housing Project - Bx4



BEFORE CONSTRUCTION



AFTER CONSTRUCTION

Figure 64: Footpath, Sewer and Stormwater Reticulation

UMLAZI HOUSING PROJECT IN SECTION G20



Figure 65: Footpath And Retaining Walls

UMLAZI HOUSING PROJECT IN SECTION HX2



Figure 66: Creating Better Access - Footpaths

EMONA SUNHILLS HOUSING PROJECT PHASE 1



Figure 67: Emona Sunhills Housing Project Phase 1



BEFORE



AFTER

Figure 68: Kloof Extension 15&21

Other projects done on behalf of Client Department includes: -

434 speed humps were constructed throughout the Municipality, 295 on behalf of ETA and 139 speed humps were funded through CIP



Figure 69: Speed humps

SHALLCROSS LIBRARY – UPGRADING OF CARPARK



BEFORE



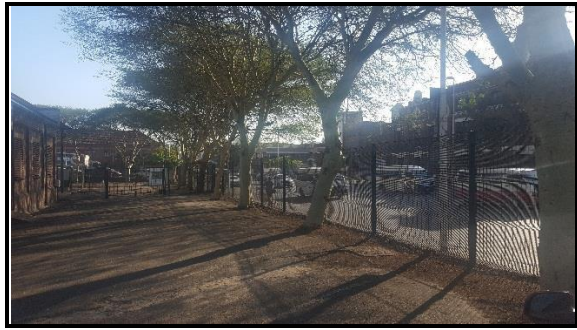
AFTER

Figure 70: Shallcross Library– Upgrading Of Carpark

STABLE THEATRE - Provision of Clear Vu fencing



BEFORE



AFTER

Figure 71: Stable Theatre - Provision Of Clear Vu Fencing

STANMORE LIBRARY PARKING AREA



Figure 72: Stanmore Library Parking Area

GHANDI PARK PARKING AREA



BEFORE



AFTER

Figure 73: Gandhi Park Parking Area

CHALLENGES

- The densities of informal settlements and the inability of the Municipality to decant the works area prior to the commencement of the works often results in work stoppages caused by existing / affected communities.
- Detailed community facilitation/consultation resulting in an agreed human relocation plan prior to contract commencement by the Municipality would be required, these skills could be obtained via Public/Private partnerships with existing NGO's who are active in the informal settlements.

- Business Forums have interrupted service delivery by stopping contractors from proceeding with construction. Political Intervention is required
- Lack of capacity at the Northern Waste Water Treatment Works is delaying of planned Human Settlement project.
- Poor Contractor Performance - Authorised cessions with established contractors and suppliers. Termination considered.

PERFORMANCE TREND ANALYSIS FOR THE PAST THREE YEARS INCLUDING 2017/2018

Department	2015/2016 Budget	2015/2016 Expenditure	2016/2017 Budget	2016/2017 Expenditure	2017/2018 Budget	2017/2018 Expenditure
Human Settlement	R326M	R225M	R258M	R183M	R196M	R162M
Incremental Services	R30M	R11M	R60M	R51M	R50M	R45M
Economic Development	R9M	R7M	R26M	R24M	R9.4M	R9.2M
Roads	R14M	R14M	R22M	R22M	R3.9M	R3.9M

Table 20: Performance Trend Analysis for the past three years

2018/2019 FUTURE FOCUS

Construction of Infrastructure for Human Settlements Development Projects (Lamontville Informal Settlement Upgrade, Kennedy Road (Barton Place) Umlazi LX2, Umlazi BX1, Umlazi M15 and Umlazi J16/18, Burlington Greenfields PH2 / Ph3, Kloof Ext, Emona Sunhills, Etafuleni 1B-1 & 1B-2.

- Town Centre Upgrades - Isipingo Ph3
- Public Realm Upgrade - Sibusiso Mdakane Dr., Umlazi
- Roads Upgrade - Vusi Mzimela (Bellair Road) Ph3
- Public Realm Upgrade - Sibusiso Mdakane Dr., Umlazi
- Upgrade of Sportfields and Combi Courts for Parks and Recreation Department

3.6.3 SURVEYING AND LAND INFORMATION

2017/2018 KEY PRIORITY PROGRAMMES/PROJECTS

Surveying

- Athlone Bridge – Monitoring survey
- Ekwandeni Ph1 Housing Project
- Umhlanga Rocks Dr – Chris Hani Dr to Somerset Dr
- Athlone Park slip upgrade – Umbogintwini
- Herwood Dr – Umhlanga Rocks Dr to Autumn Dr
- M41/Umhlanga Rocks Interchange
- M4/Umhlanga Rocks Dr Interchange
- M7 Solomon Mahlangu Dr – N2 Interchange to South Coast Rd
- Wakesleigh Rd
- Joyner Rd
- Sarnia Rd – Titren Rd to Oliver Lea Rd
- Umkomaas/Ntuzuma/Mayville/Illovo/Langefontein/Woodlands Cemeteries
- Various Community Halls
- Various Sportfields
- Umhlanga Billboard
- Umgeni Rd – Supply Rd to Quarry Rd
- Umgeni River Crossing – Peter Rd to Illala Av
- Old North Coast Rd
- North Coast Rd/Rinaldo Rd Intersection
- Umlazi Infill – verification of surveys
- Mhlabathini Housing Pocket
- Burlington Greenfields Extension Housing Project
- Silver Palm Rd

Silver Palm Road- E2017-036



Silver Palm Road- E2017-036

Figure 74:

Athlone Bridge Monitoring

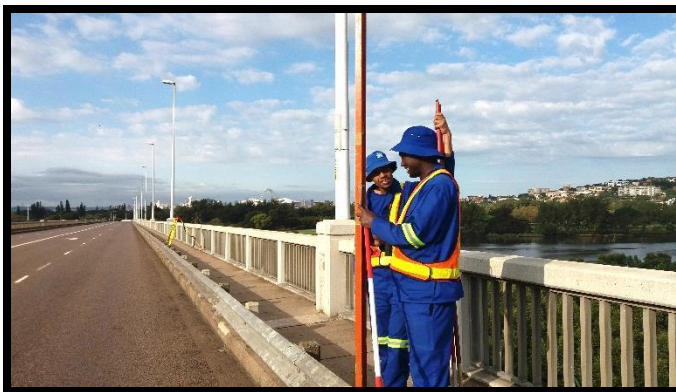


Figure 75: Athlone Bridge Monitoring



Land Legal

Numerous land legal investigations in terms of ownership, rights, road status, encroachments.

Land Development Plans

- Total: **326** land development plans
- IRPTN: **16** road servitude acquisition plans

- Northern Aqueduct : **28** water pipeline servitude plans
- Alienation of land: **105** alienation of land plans
- Ethekeini Electricity: **16** Servitudes
- Roads Provision: **26** Servitudes
- Other – **135** Acquisitions, Leases, Servitudes
- Customised GIS plans: **1488**
- Plans and laminations: **844**
- Long service & Retirement Certificates: **288**

Public Counter

- Land information queries dealt with: 7450
- Prints/Plans/Photocopies supplied: 21900

Microfilm

- 672 864 customer documents/plans/microfiche

CHALLENGES

- Keeping up with technology – budget constraints.
- Loss of institutional, professional and technical knowledge.
- WULA – delaying and reducing plan requests.

3.6.4 ARCHITECTURE

Services include strategic project programming, development management, design, documentation and project management of architectural, urban design and landscape projects, structural engineering, quantity surveying and cost management services, electrical and mechanical building services, maintenance and building trade workshops.

New Building Projects

The Architecture Department provides services to 23 client departments. In the 2015/2016 financial year, 182 projects were requisitioned by client departments for Architecture Department to implement with a capital budget value of R458 million. The Department processes approximately 1000 contract payments annually and 12 000 consultant payments annually.

The Department provides the following services for new built projects:

- Feasibility assessments and facility needs analysis
- Creative architectural design, documentation and procurement
- Project management
- Contract administration
- Architectural technology & design development
- Professional architectural advice to Council

Proactive and Reactive Maintenance

The eThekweni Municipality owns approximately 16 400 properties, which the Architecture Department assists departments in maintaining. The Department processes approximately 20 000 service orders annually undertaking maintenance work to a value of R154 million.

Services include:

- emergency and planned maintenance of municipal buildings
- specification & procurement of minor works contracts
- contract management & contractor mentoring
- facilities management through proactive maintenance
- demolition of buildings removal of graffiti

The Department prepares maintenance plans, provides routine, emergency and proactive maintenance for municipal buildings and structures. Services include the following:

architectural maintenance, maintenance planning, facilities management, maintenance contract procurement & management, contract supervision, monitoring & inspection, demolitions, emergency repairs, building trade workshops, painting, fencing, minor works, mentorship, small contractor development, quality control.

Representation on Steering Committees

The Architecture department is represented on the following Committees:

- Inner City Steering Committee
- Point Steering Committee
- Inner City Integrated Action Plan

The Architecture Department is represented on the Project Steering Committee in the development of the Inner City Local Area Plan.

CHALLENGES AND MITIGATIONS

- The decentralisation and control of maintenance budgets for large building infrastructural services which require multi-year budgets has negatively impacted on delivery.
- Land Ownership issues on Community Infrastructure Projects impacts on project readiness and on delivery targets.
- The Department has developed a Budget Confirmation Form which requires that Architecture scrutinises project expenditure before budget allocation is confirmed on the annual Capital Budget.
- Compliance with this request has been very low.
- The Department has engaged with Treasury to provide a centralised budget for items like lifts and air-conditioning on large, multi-storey building assets.

- Project Readiness and Pre-Feasibility Scrutiny is required to ensure that expenditure targets within financial years is attainable.
- Several projects were delayed due to work stoppages either through community protest action or local business forums.
- Unauthorised work undertaken by other Departments compromises regulatory compliance, empowerment optimisation through contracts, standardisation of specification and maintenance requirements

Through a designated CIP Manager, ownership issues need to be clarified before budget is allocated to projects. The eThekweni Municipal executive leadership has been engaging with various stakeholder groups to ensure that service delivery is not compromised through contract disruptions.

SUCSESSES AND AWARDS

The Architecture Department is recognised by industry leaders as a leading public sector interdisciplinary department in the build environment with over 40 built environment professionals.

The Department integrates sustainable architectural practice and cost efficacy in the creation of projects which fulfils client briefs and contributes positively to the built environment.

Architecture has received a South African Institute of Architects Award for the following projects:

- uMkhumbane Museum
- Hammarsdale Traders markets
- Springfield Precast Yard and Building Services Centre- Special mention

Warwick Junction Markets

As part of the development of Warwick Junction as a recognised catalytic project, the Architecture Department is undertaking several projects to upgrade Market Facilities in the area. These include upgrade to the Bovine Head Cookers, the Herb Traders Market

and new builds for the Bead Sellers' Market and the Mealie Cookers. All the projects have been packaged and were implemented in 2016/2017.

3.6.5 COSTAL STORMWATER AND CATCHMENTS MANAGEMENT

Coastal Stormwater and Catchments Management is responsible for the following functions:

- Manages flood risks to houses, industrial and commercial properties.
- Strives to improve water quality in the city's rivers, vleis, wetlands and receiving coastal waters by managing and monitoring developments.
- Protects and enhances urban river corridors and wetlands as important natural features within the urban landscape.
- Promotes multi-functional, sustainable use of river corridors and drainage systems.
- Maintain a suitable beach width.

2017/2018 KEY PRIORITY PROGRAMMES/PROJECTS

FEWS (Flood Early Warning System)

Configuration

The daily maintenance and review of the FEWS configuration has led to improved efficiency with the FEWS programme, some of which have led to modifications of the platform by Deltares.

The off-grid server, aimed at internal technical staff, is currently active and being improved upon prior to the final launch. Key role players such as Disaster Management are to be provided access to the system and will be trained in its use. In addition to the internal access, the Department have identified the need to relay information to the public on impending storm events and have engaged a consultant to develop a public interface. In addition to relaying information on potential disaster incidents the Department aims to provide the greater research community access to data generated through the public interface.

The Department, as part of its function and for assistance in the sphere of Disaster Management, is developing a Forecast Early Warning System (FEWS). The system

essentially functions as a data management system, operating real time, 24/7, to receive/obtain all available atmospheric data (such as rainfall and wind), and execute models to estimate predictions such as river water levels. For example, in the context of the recent rainfall events, the system would have assisted in highlighting potential flooding zones, which in turn may have assisted the Disaster Management Unit. In order to gauge the progress of the FEWS project the Department has divided it into three spheres: a) Data Management, b) Model application and c) Configuration. Each of the spheres can be worked on in parallel and in doing so promotes agile development.

The FEWS project spheres have continued making significant strides in the implementation of the system. The FEWS system has been short-listed for the KZN Premiers Awards in the Innovation category. The targets and improvements achieved by each sphere is briefly outlined below:

Data Management

Currently all data monitoring equipment log all the information they measure and then send this through a 3G connection to an online database usually run by a consultant who monitors the gauges respectively. The Department has purchased a secure server that works off the current municipal network.

All of the data monitoring equipment has been maintained and continue to relay measurements through a 3G connection. In addition, the implementation of the Rain scanner and Seadarq systems now bolster the telemetry network. The Department is currently in the process of unifying the multiple data streams into a single secure off-site server to act as a failsafe. The FEWS system has continued running 24/7 without downtime.

The South African Weather Service (SAWS) data has been successfully integrated into the forecasting system and a close collaboration has been established with SAWS. Umgeni Water is working closely with the department with a view to creating a common model to incorporate the dam management and its impact on flood events.

Model Application

The hydraulic models have been calibrated, with calibrations reach the 10% error band in some regions. This was undertaken through the use of the framework contracts. The models have now reached an active forecasting stage, however, continuous improvements are to be undertaken to maintain the accuracy of the forecasts.

Pilot coastal erosion and inundation models have been created and are to be expanded to the remainder of the eThekweni coastline. The implementation of the coastal water quality models is still to be undertaken. The development of the coastal models has been hindered due to the loss of key skills. The Department will be up skilling the relevant staff to ensure that the continuity of the coastal models is maintained.

Configuration

The daily maintenance and review of the FEWS configuration has led to improved efficiency with the FEWS programme, some of which have led to modifications of the platform by Deltares.

The off-grid server provides the means to interactively display the data – observed and forecasted – through web-based programming.

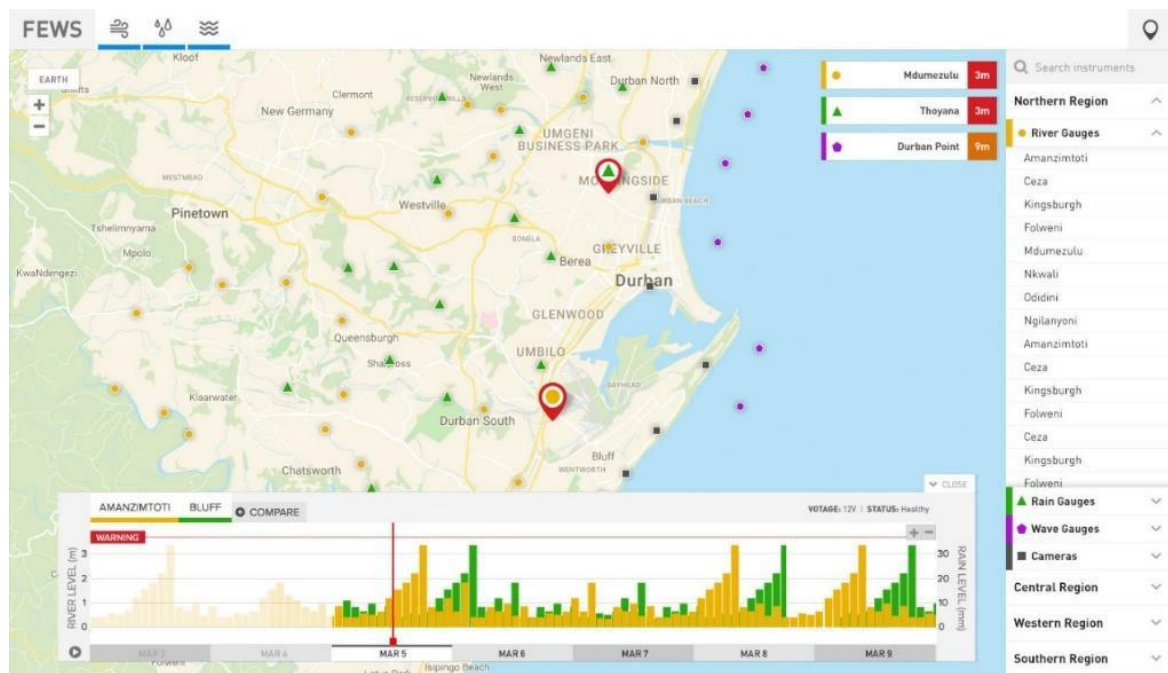


Figure 76: FEWS

The off-grid server, aimed at internal technical staff, is currently active and being improved upon prior to the final launch. Key role players such as Disaster Management are to be provided access to the system and will be trained in its use. In addition to the internal access, the Department have identified the need to relay information to the public on impending storm events and have engaged a consultant to develop a public interface. In addition to relaying information on potential disaster incidents the Department aims to provide the greater research community access to data generated through the public interface.

Emergency Replenishment of the Durban Beaches

Extreme coastal conditions resulted in a large amount of sand being removed by the sea from the Durban bathing beaches. This in turn resulted in damage to infrastructure along the beachfront.

The City's fixed sand pumping scheme which is designed to continually replenish the beaches was unable to provide the quantities required at a fast enough rate to counter these extreme conditions.

The department acquired a floating pipeline and let a contract to pump sand directly from the dredger onto the beaches where the sand was needed. This was new territory for the City and the Port authorities as it had not been done before.

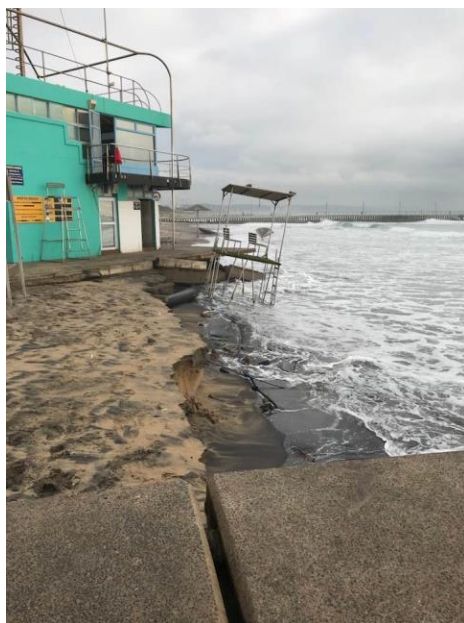


Figure 77: Beach Erosion prior to pumping



Figure 78: Replenishment of Beach through sand pumping

10 October 2017 Extreme Storm Damage and Repair

On the 10th October 2017 the Amanzimtoti, South Durban Basin and the City centre experienced an extreme rainfall event with some areas receiving in excess of 1 in 200-year rainfall. As the rainfall was in excess of the design capacity of the stormwater infrastructure, overland flow and flooding caused extensive damage to both public and private infrastructures.



Figure 80: Gwala Street Lamontville



Figure 79: Flooding of the N3 in Prospecton



Figure 81: Mbele Road Lamontville



Figure 82: Havenside drive

The CSCM department carried out extensive investigations into the damage which resulted in 2 lists of emergency repair projects being approved by Council in the beginning of December 2017.

List 1: projects amounted to approximately R128 million. The contractors for this work were approved at the end of January 2018 with approximately R70 million worth of work being completed by the end of June 2018. The outstanding work will be completed in the 2018/2019 financial year.



Figure 83: Before Umhlanga Rocks Area



Figure 84: After Umhlanga Rocks Area

List 2: projects amounted to approximately R95 million. The contractors for this work were approved at the end of May 2018 worth approximately R11 million worth of work being completed by the end of June 2018. The outstanding work will be completed in the 2018/2019 financial year.

CSCM INFRASTRUCTURE ASSET MANAGEMENT

CSCM are currently in completing Phase IV of the Asset Management Programme and is in year one of Phase 5a (July 2017) with Phase 5b set to commence July 2018, with all task orders having a validity of 36 months. The areas covered to date are:

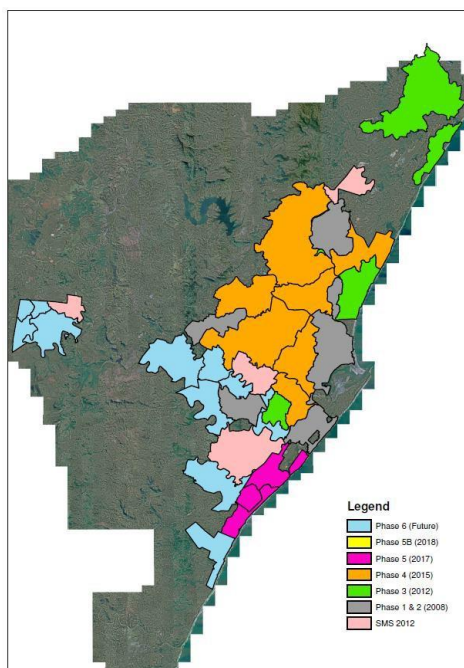


Figure 85: Map depicting Phases

Phase	Area
4 (2015)	Umhlanga
	Newlands
	Kwadabeka
	Westville
	Cato Manor
	Hillary
5a (2017)	Isipingo
	Umbogintwini
	Amanzimtoti
5b (2018)	Marianridge
	Shalcross
	St. Wendolins Ridge
	Umhlatuzana
	Welbedagt

Table 21: Depicting phases

EThekweni Municipality continues to deliver municipal services in terms of the Constitution of the Republic of South Africa, by applying appropriate best Infrastructure Asset Management practices.

Positive improvements / change to the CSCM Asset Register / GIS were made by updating and publishing (30 June 2018) the correct asset information that has arisen out of the findings from the Asset Management processes. The City has moved over to the new Infrastructure Asset Management System; JDE CAMS (JD Edwards Capital Asset Management System), which will improve the maintenance of assets. JDE CAMS is expected to go 'live' by September 2018.

As per the previous phases, the CSCM Asset Management programme continues to discover and capture unknown CSCM / Municipal assets. The PCSWMM (Personal Computer Storm Water Management Models) hydraulic modeling of the stormwater networks allows CSCM to be proactive and innovative in their service delivery levels and future planning respectively.

CSCM Asset Management continues to further enhance the departments' commitment to deliver municipal services in the most cost effective manner for the benefit of present and future communities / customers / generations.



Figure 86: Wetland Rehabilitation Project at Umnini (Umgababa)

This project detailed the preparation of the wetland rehabilitation project at Umnini (Umgababa). The project aimed at ensuring the restoration of biodiversity and improvement of the catchment status. The success and sustainability of the project required integrated community participations (Tribal Authority, Political Structure, NGOs, NPOs, Schools and the residents).

In 2017 CSCM have enabled Umgababa Community to take ownership of their ecological infrastructure. The Community has participated in restoration of a wetland that was degraded by anthropogenic activities and alien invasive species. CSCM department educated Umgababa community members about the preservation and significance of wetlands and also empowered them with skills and knowledge of catchment management practice.

On the 13th October 2017, the rehabilitated wetland was officially handed back to the community for ongoing maintenance. The community involvement and commitment was recognised.

The CSCM department together with the Community of Umgababa brought back life to the wetland hydromorphic soil, high water table, wetland ecosystem, improved the water quality and stabilized the stream bank, riparian and terrestrial zones with indigenous vegetation.

CSCM department made the wetland a sustainable landmark of Umgababa for year 2017 and said no more to Stormwater flooding, no more to illegal dumping, no more to infilling of wetlands and no more invasive alien species.



Figure 87: *Rehabilitation wetland in Umnini*

PERFORMANCE TRENDS - CSCM SERVICE DELIVERY BUSINESS

IMPROVEMENT PLANS

Number of properties below the eThekweni defined service level provided with STORMWATER solutions per annum.								
Outline Service Targets	2014/2015		2015/2016		2016/2017		2017/2018	
	Target	Actual	Target	Actual	Target	Actual	Target	Actual
The number of properties below the eThekweni defined level of service provided with STORM WATER solutions per annum.	400	613	440	711	640	822	500	641

Table 22: Properties provided with Storm water solutions

FUTURE FOCUS

- Asset management – continue with the finding and assessing of existing stormwater infrastructure
- Completion of the emergency repairs resulting from the October 2017 storm
- Expansion of the FEWS system to include coastal models for the forecasting of coastal risks
- Completion of the business case study on the Sihlanzimvelo project through support from the C40 CFF

AWARDS

The Department received a silver award for the Forecast Early Warning System in the Premier Service Excellence Awards - Innovation Category

3.7 ETHEKWINI TRANSPORT AUTHORITY (ETA)

The objective of eThekweni Municipality transport authority is to provide and manage a world class transport system with a public transport focus, providing high levels of mobility and accessibility for the movement of people and goods in a safe, sustainable and affordable manner. This Vision guides the organisation's activities and enables the setting of relevant and realistic objectives. It is aligned to the eThekweni Municipality's vision that: "By 2030, eThekweni Municipality will be Africa's most caring and liveable City". The EThekweni Transport Authority continued to fulfil both its legislative mandate and Integrated Development Plan (IDP) under Plan 3 of providing Quality Living Environment for the Citizens of EThekweni by improving public transport within the City.

As a requirement of the new Act, the National Land Transport Act, Act5 of 2009, the ETA made some strides in development of its new structure which will allow the organisation to adequately deal with the functions such as the Bus Rapid Transit, Freight and Logistics, Safety and Security and the Licensing functions.

2017/2018 KEY PRIORITY PROGRAMMES/PROJECTS

GO! DURBAN

The integration of efforts of many stakeholders working together towards the ultimate goal of service delivery is vitally important to the successful rollout of the GO!Durban system.

Planning and working together with Local, Provincial and National Government as well as with the private sector, we have been able to co-ordinate our efforts to ensure integration of the delivery of the GO!Durban system. Part of this integration has required identifying relevant park and ride facilities and stations and how these connect with the current walkways and non-motorised transport facilities, as well as with businesses and other Civic entities such as the Municipal Sizakala Centres.

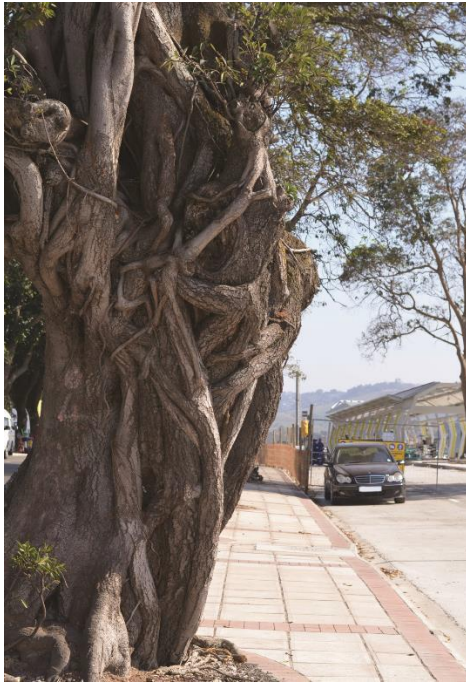


Table 23: Walkways

From an infrastructural point of view, the City together with the contractors were able to identify ways in which construction could take into account the various needs of the businesses and other economic nodes along the first two routes viz., from Pinetown to KwaMashu and from KwaMashu to Umhlanga Ridge.

The Economic Empowerment Charter of GO!Durban has resulted in the most rewarding achievements associated with the GO!Durban project, and has been the success in promoting black economic empowerment, while addressing unemployment and poverty.

In the contracts awarded by the ETA, black companies have had an Equity Participation of approximately R500m at main contractor level. R530m has been awarded to local black sub-contractors / suppliers within the eThekweni Municipality. Approximately R180m of the R530m was awarded to companies located in the local wards affected by the GO!Durban project.

- 22 320 job opportunities have thus far been created by the project within the context of the C3 Corridor project (Bridge City to Pinetown):

- The Disability Unskilled Participation Target of 1% of the unskilled workforce was achieved; a total of 226 job opportunities having been provided to people with disabilities
- A total of 16.16% participation of women in the Unskilled Labour category was achieved, this being a total of 3 596 job opportunities; some 60% higher than the target of 10%.



Figure 88: MR 577 construction, a new Provincial Road which took into account the City's BRT requirements, delivering a median for the Bus Rapid Transit for 14 km

Strategic Transport Planning

The Transport Authority through its Strategic Transport Planning Department continued with the overall planning of the land transport within eThekweni Municipality which includes: traffic modelling and forecasting, freight planning, rail planning and modal interchanges planning, establishing and maintaining a passenger transport information system, preparing and co-ordinating the implementation of the Road Safety Plans, and performing an advisory role on transport policies.

Through its three (3) specialized Branches, namely; Transport Planning, Public Transport Planning and Road Safety.

Public Transport Operations

The City's operated Bus service has stabilised, and there has been no major service disruptions as it was in the past. During the 2017/18 Financial Year, the scheduled

transport system conveyed in excess of thirty (30) million passengers across the 850 routes. The Dial-A-Ride service, a dedicated transport system for people with disabilities continued to provide a much needed door - to - door service to the special need passengers. The service demand still far outweighs the supply, as a result there is quite a number of people that are on the waiting list.

The Dial –A-ride service compliments the Sukuma Bus Service, which is also the City's Transport System, dedicated to transporting people with disabilities. This service only travels on fixed routes unlike the Dial-A-Ride system. Currently the City operates three (3) buses. During this year, the transport services for people with disabilities conveyed in excess of seventy (70) thousand passengers.

The Department continued discussions with the Bus and the Minibus Taxi Industry leadership on matters relating to the City's GO! Durban project, to ensure that they are up to date on the discussions leading to the operations of the system.

We continued to provide a platform to engage different stakeholders on matters relating to the provision of public transport services. We also renovated and maintained a number of public transport facilities within the City.

Road Systems Management (Rsm)

The Transport Authority through its RSM Department under the Urban Traffic Control together with the Installation and Works Branch continued to fulfil its functions, which include traffic signal installation, management and maintenance. Managing and monitoring the City-wide electronic traffic control systems and deploying Intelligent Transport Systems (ITS) solutions to assist with the management of traffic flows and information dissemination. In the 2017-18 financial year, six (6) new traffic signals were installed, and over 1500 site inspections carried out to ensure that traffic signal timings remain optimum.

We continued to advance our Intelligent Transport Systems (ITS) in support of the GO! Durban public transport system. The Integrated Fare Management Contract was awarded in June 2016, and will be ready for the start of the GO! Durban systems operations. The current fleet management system is being investigated to provide cost-effective management information for the GO! Durban system.

The ETA continued to carry out the following:

- Replacement of the old technology traffic controllers with newer traffic controllers.
- Installation and commissioning of new traffic signals including the GO!Durban right of way.
- Painting of Traffic Signal Poles to improve aesthetics

CHALLENGES

- The vandalism of traffic signals. This challenge continued at various intersections around the City.
- Work stoppages on infrastructure projects. Most of the ETA infrastructure projects experienced delays due to work stoppages in various parts of the City.

MITIGATIONS

- The Unit had to continue rolling out the installation of vandal-resistant traffic signal cover plates, commencing with the worst locations, and eventually rolling it out to all other areas.
- As an attempt to try and mitigate, the unit beefed up on the GO!Durban Radical Economic Transformation (GRETTS), which ensured inclusivity of the previously disadvantage businesses. We also continued with the stakeholder engagement meetings in areas where construction was taking place.

SUCSESSES AND AWARDS RECEIVED

The award- winning Bhejane Underpass linking the Bridge City and Phoenix Industrial. The planning of the Bus Rapid Transit routes had to take into account the flow from Municipal to Provincial and National roads, with interchanges to ensure that there is a seamless flow for the buses.



Figure 89: Bhejane Underpass linking the Bridge city and Phoenix Industrial under the M25.

FUTURE FOCUS – 2018/2019

- Traffic signal installations.
- Pole painting and traffic signal infrastructure refurbishment.
- Installation of more (Uninterrupted Power Supply) UPS's systems at various intersections.
- Implementing (Accessible Pedestrian Systems) APS at all traffic signal intersections.
- Extension of fibre network for traffic signals

The Transport Authority through its Traffic Operations Branch continued with the development and implementation of the traffic management plans as well as the provision of the temporary infrastructure for special events in the City. Essential services such as

road markings, and temporary road closures/accommodation and re-routing to accommodate construction affecting roads were implemented effectively.

We continued with the installation and maintenance of direction signs, installation of new and maintenance of street name signs and application of thermoplastic road markings on various roads and intersections within the City.

Through our Traffic Engineering Branch, we attended to all traffic engineering related matters by responding and providing advises to development applications, designing roads and intersections and carrying out traffic and safety assessments in the City.

Conclusion

The relevant management is aware of the issues that have resulted in under performance and have provided steps that they have implemented to promote achievement of the targets set for the 2018/19 financial year. Regular monitoring is conducted and performance review sessions are being held in an effort to improve performance. The Municipality is committed to the delivery of services and it is anticipated that the remedial measures being implemented will yield positive results.

3.8 SAFETY AND SECURITY - DURBAN METROPOLITAN POLICE

Durban Metropolitan Police Service's jurisdiction is within the boundaries of eThekweni Municipality. In an endeavour to take services closer to residents and increase access to facilities, the geographical area of Ethekwini is divided into 5 decentralised regions, with two centralised. The latter's boundaries coincide with the boundaries of the erstwhile local authority entities viz. Central, North, Inner West, Outer West and South Regions decentralised, with Specialised Enforcement and Multi Operational Response Teams Centralised. Each region has a base Station where the charge office and administrative offices are located and satellite stations in other wards or areas. Metro Police remains committed to fulfilling its legislated mandate of Traffic Management, Bylaw Enforcement and Crime prevention.

The objectives of the Unit is to ensure that the services are undertaken close to the communities at the Central regions, split into suburbs and beach areas, South Region, North Region, Inner-west region and outer-west and specialized enforcements.

The Unit is structured into three distinct portfolios namely: Operations; Logistics and Administration; and Traffic Fines Processing, and drivers licence and test centres. The Operations Unit encompasses the core functions, inter alia the Traffic policing, By-Law enforcement and Crime preventions.

2017/18 KEY PRIORITY PROGRAMMES/PROJECTS

Compliance with SAPS Amendment Act 1998 with regard to mandated functions of Crime Prevention, Traffic Management and Bylaw Enforcement

This programme focuses on the core functions of municipal police as enacted in the SAPS Amendment Act 83 of 1998.

Municipal Police Services are responsible for traffic policing and enforcing local bylaws within the municipality and work in co-operation with SAPS to prevent crime and maintain public order.

In order to be in line with the National Road Traffic Act, the eThekweni Municipality plan projects and operation to ensure the following: -

- Protection of lives and property
- Detection, arrest and hand over (to the relevant authorities) of suspicious persons and persons wanted for various criminal offenses
- Prevention and detection of traffic criminal offenses and traffic offenses
- Traffic regulation and supervision on public roads
- Traffic and transport of dangerous and explosive goods
- Public events and meetings on public roads
- Testing and issuing learners and drivers licenses
- Escorting of VIPs

CRIME

The following policing Priorities have been identified as a direct result of arrest made by police, police observation and complaints from members of the public. Included here are also the National Crime priorities.

It must be remembered that the Durban Metro Police provides assistance to SAPS in crime prevention matters, mainly through reactive policing. Investigation of crime is the competence of SAPS and our input into the following is mainly reactive and once arrested offenders are processed and handled by SAPF

Common Law Arrests such as:

- Murder and or attempted murder,
- Robbery with or without force,
- Theft of motor vehicles, theft out of motor vehicles, hijacking
- Common theft,
- Assault,
- Rape,
- Public indecency,
- House breaking residence and business,

Statutory Law Arrests such as:

- Drug and Liquor Act
- Child Care Act
- Family violence
- Illegal possession of firearms

Crime incidents attended

1st Quarter	4400
2nd Quarter	289
3rd Quarter	281
4th Quarter	264
Grand Total 2017/2018	5234

Table 24: Crime incidents attended

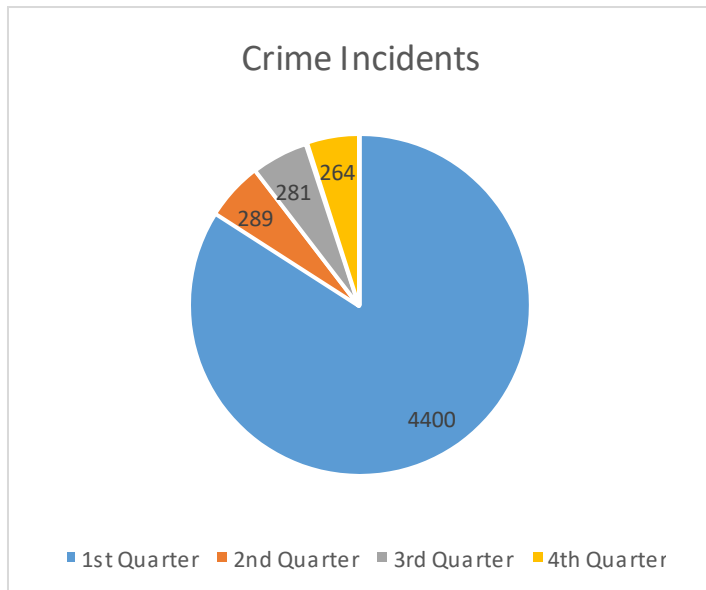


Figure 90: Crime incident pie chart

Common Law Offences

1st Quarter	51
2nd Quarter	57
3rd Quarter	65
4th Quarter	99
Grand Total 2016/2017	272

Table 25: Common Offences

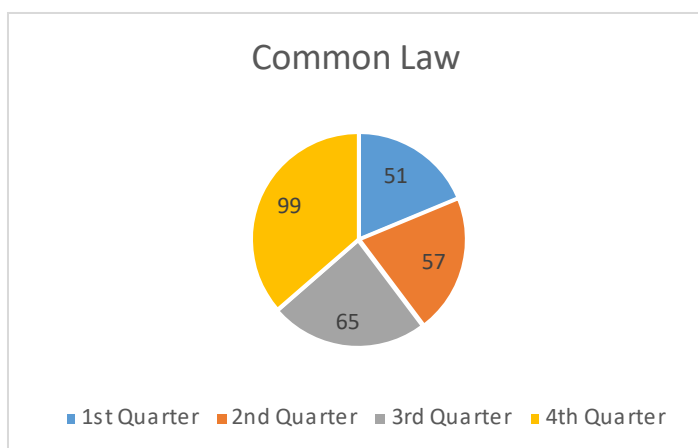


Figure 91: Common law Pie chart

Statutory Offences

1st Quarter	1676
2nd Quarter	1542
3rd Quarter	1792
4th Quarter	2203
Grand Total 2016/2017	7213

Table 26: Statutory offences

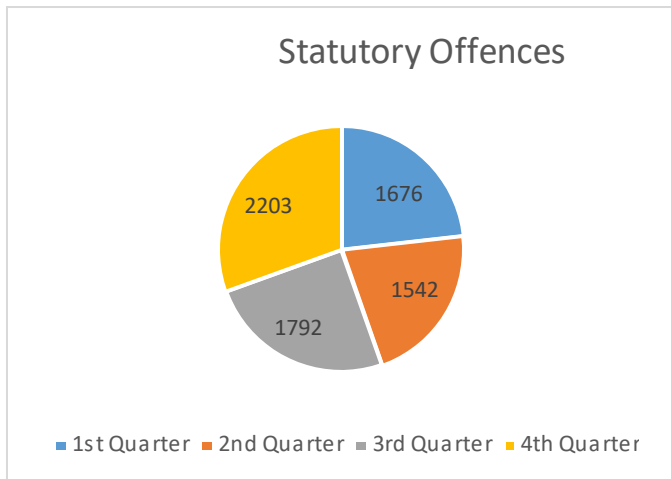


Figure 92: Statutory offences pie chart

Traffic Law Enforcement

All traffic offences, those related to bylaws and NRTA are prioritized. Since Traffic is one of our core functions, any action that interferes with the free flow of traffic and/or contributes to accidents and morbidity and mortality of road users and pedestrians is also prioritized

- Drunken Driving
- Speeding
- Moving offences (Seatbelts, moving violation, equipment, illegal ranking, signage and road markings, body protruding, use of cell phone whilst driving, red robot)
- Documentation (Failure to produce driver's license, no driver's license, no PDP, fail to carry driver's license)
- Driving schools without necessary permits and Un-roadworthy vehicles
- Stationary offences (parking offences expired meters, double parking, stopping and parking in restricted areas)

- Vehicle defects—Un-roadworthy vehicles and taxi's
- Trucks – defective, overloaded, parking violations and spillags

1st Quarter	921
2nd Quarter	995
3rd Quarter	1246
4th Quarter	679
Grand Total 2016/2017	3841

Table 27: Vehicle suspensions

By-Law Enforcement

By-law enforcement is one of the other core functions of Durban Metropolitan Police Service. To this end, all bylaw infringements are prioritized and enforced.

Illegal trade – hawking and street trading, Vagrancy, Prostitution, Disturbance (Loud music and noise), Nuisances (Dogs), Gambling, Street Children and beggars, Fires in City, Public indecency, Illegal liquor outlets and failure to adhere to terms of liquor license Integrated Enforcement strategy, which includes, inter alia, the enforcement of trucks infringing by-laws and enforcement of nuisance by-laws.

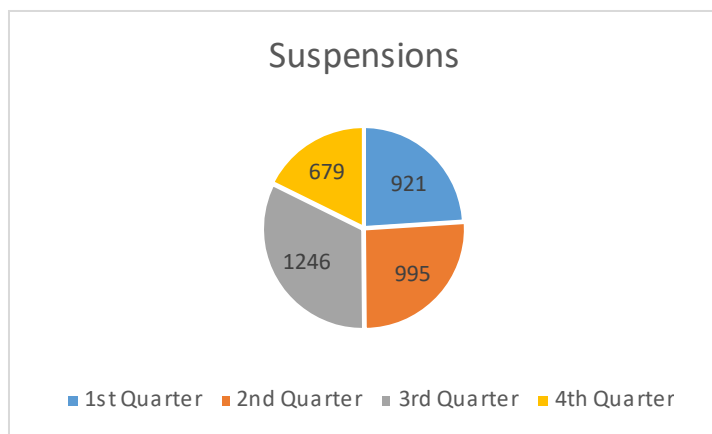


Figure 93: Suspensions

Heavy Motor Vehicles (HMV)

1st Quarter	13942
2nd Quarter	15839
3rd Quarter	13428
4th Quarter	14647
Grand Total 2016/2017	57856

Table 28: Heavy motor vehicles

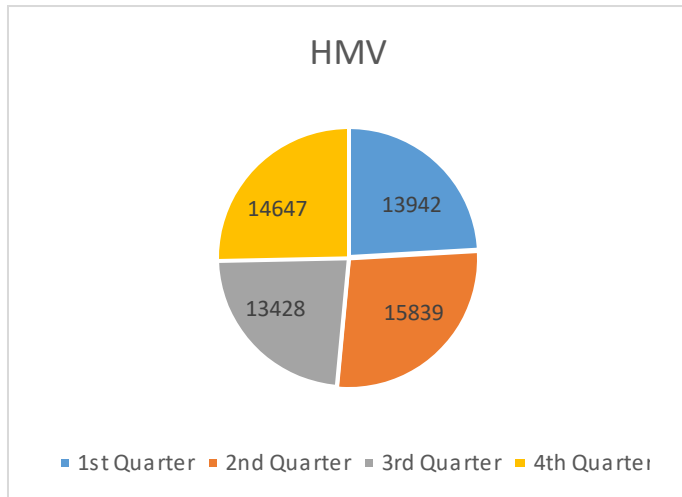


Figure 94: Heavy Motor vehicles pie chart

SUCCESSSES AND AWARDS RECEIVED

The Department was engaged in numerous activities / events during the year, of which the following, where the major 10 events

<u>Event</u>	<u>Description</u>
1. Discovery East Coast radio big walk	+/_ 50 000 spectators / 30 000 participants 20/05/2018
2. Aquelle Tour Durban Cycle race	+/- 50 000 spectators – 6500 participants 29/04/2018
3. Mr Jacob Zuma trial	+/- 40 000 spectators 06/04/2018
4. Festival of Chariots	+/- 40 000 spectators 30-31/03/2018
5. Twelve apostle church in Christ	+/- 35 000 spectators 22-27/05/2018
6. Jehovahs Witness Conference	+/- 35000 spectators 15-17/09/2017
7. MTN Quarterfinals Kaizer Chiefs vs Supersport	+/- 35 000 12/-08/2017
8. Tourisim Indaba International event	30 000 participants 8-10/05/2018
9. Soccer SA vs Cape Verde (FIFA Qualifier)	+/- 25 000 spectators 05/09/2017
10. Cricket ODI India vs SA	+/- 17500 spectators 01/02/2018

Table 29: Major Events



Figure 95: Durban Metropolitan Police K9 Unit receiving letters of Commendations for arrest of suspects and recovery of goods



Figure 96: Durban Metropolitan Police Drill Parade at the State of the City Address

3.9 LOCAL ECONOMIC DEVELOPMENT, TOURISM AND MARKETS

The Economic Development, Strategic Projects, Business Support, Markets, Tourism and Invest Durban Units are tasked to execute the objectives of Plan 2. The specific focus area is to strive to respond to the economic injustices of the past, enhance the existing significant competitive assets in the City and ensure that the region is resilient in its attempts to constantly absorb the shocks and stresses from social, economic, political, technical and infrastructural impacts arising out of climate changes, energy scarcity and population growth.

- a) The main objectives of Plan 2 is to grow the economy, create jobs, alleviate poverty and ensure an equitable distribution of wealth for all citizens in eThekwini.
- b) The National Development Plan (NDP) places a huge responsibility on Local Government to be an effective instrument of change in achieving socio-economic transformation.
- c) The city must therefore ensure that economic development endures through the implementation of the strategies from all spheres of government and optimize a tailor-made mix for eThekwini towards a sustainable, inclusive and vibrant economy.

- d) These development challenges may require maverick ideas and bold leadership at the local government level to stimulate the required growth - a necessary condition for radical economic transformation.

Plan 2 in the IDP has a selection of Strategic Focus Areas (SFAs) that provide a conceptual framework to guide the departments in their respective objectives, all of which are geared towards eventually positioning the municipal economy as Africa's Southern Gateway to Trade and Travel.

To achieve this vision, the Plan describes a framework that builds on past successes such as stimulating key sections of the economy and providing support to priority sectors and initiatives based on cutting-edge research and policy analyses. These also entail outlining the need to include a strategic focus on economic leadership and intelligence, facilitating partnerships, maximizing the benefits of infrastructure development, nodal and corridor development, investment promotion and facilitation, enterprise and sector development, creating a competitive tourism sector and ensuring sustainable livelihoods.

The functions relating to economic development in the eThekweni Municipality falls under the aegis of the Economic Development and Planning Committee (ECOD) where the activities for each of the responsible Units are described in the Integrated Development Plan (IDP). The goal of this Plan (listed as Plan 2) is 'To develop the economic wealth of the eThekweni region for the material well-being of all its citizens' with the outcome as 'Strong economic growth, sustainable job creation and poverty alleviation'.

Policies, strategies and other initiatives affecting local economic development are guided by all three spheres of government and aligned accordingly in the IDP, more especially from the city's Economic Development and Job-Creation Strategy 2013/2018 and the City Planning Commission's Long-Term Growth and Development Strategy. Economic planning, both short- and long-term is also influenced by global initiatives such as Habitat III and new thinking around economic and social inclusion and affords the city an opportunity to play a contributory role towards building global momentum around climate change agreements, sustainable development goals, economic transformation and other initiatives aimed at making cities more livable.

Below is the report of different departments within the Unit highlighting the activities for the 2017/18 period as follows:

Policy Strategy Information and Research (PSIR) Department

The PSIR Department is located within the Economic Development Unit and is responsible for providing economic intelligence to the municipality its strategic stakeholders. Objective of the PSIR is to provide economic intelligence and insight to inform strategic action.

The functions include feasibility studies, applications of decision-making tools, analysis of time-series data and the development of appropriate strategies and policies for the local economy. The Department also publishes the quarterly EDGE (Economic Development and Growth in eThekweni), hosts EDGE seminars, provides a support platform for innovation and issues a monthly State of the Economy (Economy-at-a Glance) for the city leadership all of which feature topics impacting the global and local economies. The activities are:

- Economic research, feasibility studies, application and dissemination of decision-making tools, and dissemination of same to city leadership and externally
- Compilation of relevant policies relevant to economic development
- Economic publications and hosting of seminars
- Support platform for innovation
- Strategies pertaining to economic growth and job creation

2017/18 KEY PRIORITY PROGRAMMES/PROJECTS

The key projects during 2017/18 focussed on a number of new initiatives and a continuation of existing ones from previous years.

The Department was instrumental in launching Innovate Durban as a new support platform that brings business and academic communities together to work collectively on innovation challenges. It also assists in providing businesses' access to new technology and additional resources from other spheres of government and enables innovation skills development in the city.

FUTURE FOCUS

The city's Economic Development Strategy is being updated during 2017/18. Titled 'An Accelerated and Inclusive growth path for the eThekweni Municipality', the strategy will take stock of the achievements, challenges and missed opportunities in the past five years and fashion a new, all-encompassing user-manual for the entire Cluster going forward for the next 5 years.

During 2016, the City introduced its Incentive Policy which offers incentives to priority industrial sectors to expand existing or attract industry into eThekweni. To date six applications for incentives have been awarded by the City. The department will continue to update the policy and offer further incentives to the other sectors.

The Industrial Revitalisation work is ongoing and the industrial revitalisation, incentives, state of the economy reports to leadership, City Planning Commission contributions, internal – IDP, SDBIP, RC100, C40, BEPP, subnational doing business.

CHALLENGES

- More primary research to learn more on the city's economic profile – industry, employment, availability of land, analysis of internal available data, more regular/relevant/timely information and reports to city leadership.

MITIGATION

- Greater awareness of the business cycle and to encourage/facilitate appropriate investment based on same.

SUCCESS AND AWARDS RECEIVED



Figure 97: Innovation Manage Award

The above was given to Aurelia Albert – who was the joint recipient of the Early Career Excellence in Innovation Manage Award at the 2017 Sarima Conference and Excellence Award.

FUTURE FOCUS – 2018/19

PSIR will undertake further research on the transformation economy based on the analysis of the Economic Strategy update that would guide the City leadership on fashioning an inclusive economy and try to link the outputs with all the relevant departments' objectives over the next five years. The fourth industrial revolution, economic impacts of climate change and opportunities in the innovation space will also be significant focus areas for the department. The Department will also enhance its information provision, especially in the spatial economy by combining various data sources and applications to better understand the city's economic profile from a spatial perspective.

FACILITATING DEVELOPMENT IN PRIORITY NODES AND CORRIDORS

Economic Development Projects

The eThekweni Municipality's Economic Development is tasked with the responsibility of stimulating the local economy by playing a facilitative role to encourage economic growth and job creation.

Objectives

- a) Promote the development of the township economy through facilitating public and private sector investments in targeted nodes and corridors.
- b) Promote urban revitalisation through town centre renewal and tourism nodes development.
- c) Promote the development of rural nodes and corridors
- d) Facilitate brownfield and greenfield commercial development and industrial revitalisation projects

2017/18 KEY PRIORITY PROGRAMMES PROJECTS

Priority Projects for the previous financial year were:

1. Umgababa Beach Node: Completion tourism infrastructure
2. Umlazi eZimbuzini Auto Hub
3. Magabheni Auto Hub
4. Mpumalanga Non-Motorised Transport Infrastructure development
5. Dumisani Makhaye Node: Midway Crossing Mall enabling infrastructure provision

CHALLENGES

- The primary challenge has been work stoppages by 'business forums compromising of service delivery and budget spend.
- Second challenge has been poorly performing emerging contractors that have been employed for projects.

MITIGATIONS

- The main mitigation against this risk has been improving engagement with stakeholders and ensuring that all local stakeholders are aware of the project before the supply chain management SCM process begins so that they can participate in the competitive process.
- The department has mitigated against this challenge by employing technical project managers to provide specialised support.

FUTURE FOCUS – 2018/19

1. Clermont Town Centre Renewal Zazi Street Upgrade
2. Umlazi Light Industrial Park
3. Mtshembeni Node development
4. Sibusiso Mdakane Streetscaping
5. KwaNozaza Nodal Development: KwaNozaza Mall & Depot relocation
6. Mthoko Mkhize Drive Upgrade (Main Road 385)
7. Mpumalanga Transport and Traders Hub

INVEST DURBAN DEPARTMENT

Invest Durban Unit is responsible for driving all investment promotion, foreign direct investment facilitation, foreign investor aftercare and constructive advocacy for investment-related policy, program and process improvements.

The unit's vision is that by 2030, Durban will be Africa's most caring and liveable City and a globally recognised, preferred African investment destination, through the attraction and facilitation of significant FDI that will stimulate social, financial and economic growth for all.

Its mission is to undertake world class FDI promotion and facilitation by building operational capacity, entrenching best practice approaches, embracing a targeted investor outreach and nurturing partnerships with all stakeholders in order to win new investment for the benefit of all in eThekweni. Investment promotion, Investor facilitation and servicing, Investor aftercare, Investment Advocacy Department.

2017/18 KEY PROGRAMMES/PRIORITIES

The Durban Investment Promotion Strategy (DIPS) was approved by Council on the 1st August 2017. Since approval the unit then developed its implementation plan and follow-through of the recommendations adopted by council resolution.

Project: Investment Promotion and Marketing

Key highlights for this financial year kicked off with the official launch of Invest Durban Unit as a brand of Business in Durban and the first-stop shop for Investors. The event was attended by over 150 politicians, business executives and foreign diplomats based in Durban.



Figure 98: UK Investment Mission.

Attendance of the WAIPA World Investment Forum at the Invitation of Xiamen City, plus the World Routes (airline and airport) Conference in our Sister City of Guangzhou will be the focus of September 2018.

An October Follow-up to the UK Investors was recommended to Council as this will dovetail with the UN World Investment Forum in Geneva (22-26 October 2018) plus UK Investor Follow-ups already secured 28/29 October 2018 and return flight home on the BA Inaugural Direct Durban flight 29th October 2018 which is a key City achievement to facilitate British Airways direct flights to and from Durban to the UK markets for the first

time. Invest Durban played the decisive role with Dube Trade port's Route Development Committee Business Leadership to close this investment deal.



Figure 99: *British Airways Direct Flights – Durban to UK*

Project: Foreign Direct Investment Strategic Action Plan, Sector Briefs

The objectives of the project were to generate specific sector-research and value-chain analysis and identify investment opportunities in as far as the gaps in the relevant sectors. Secondly, to compile an information brief on each sector that would be investor focussed. This would enable the Unit to create investment promotion and marketing material that is appealing and effectively communicates the business and economic information plus investment opportunities to targeted recipients.

Project: Business Retention and Expansion (Br&E) Program In Current Targeted Areas

The BR&E program has been conducted in the current targeted area of New Germany Industrial Park. As part of the legacy project of the BR&E program a draft electronic phone directory for the KwaDabeka, New Germany and Clermont was compiled and reviewed. The final electronic phone directory was tabled for the small- medium and micro enterprises in the KwaDabeka, Clermont and New Germany areas in October 2017.

The BR&E program forged a shared partnership vision between Trade and Investment KwaZulu-Natal (TIKZN) and eThekweni municipality by identifying the Durban South Basin as the next area to deploy the BR&E program. The TIKZN task team was formed

and the Invest Durban Unit is a task team member. BR&E program has been able to resolve some of these problems by engaging all the relevant stakeholders in the area of New Germany. The New Germany electronic phone directory compilation is the legacy benefit of the BR&E program and its main aim is to promote business opportunities for SMME's and business linkages in terms of broad-based black economic empowerment (BBBEE) procurement of goods and services among businesses in the Clermont, KwaDabeka and New Germany areas.

Project: Continued Activation of the existing Fdi engagement strategy and action plan

Invest Durban Unit has begun the FDI aftercare as an extract program for the multinational corporations operating in eThekweni and to operate this in synergy with the City Manager's customer relations management (CRM) Program.

This program reviewed and continued to activate the existing business investor engagement strategy and action plan for FDI opportunities. This is part of the local existing investor support action where priority sector based FDI opportunities were identified, investigated, and reviewed. The identified FDI opportunities were work-shopped with key stakeholders and the internal project managers. They were further discussed with the internal project managers as part of the ongoing marketing strategy of these opportunities. The marketing of these opportunities were also done with our key external stakeholders. There is a special emphasis on the local multinational companies' aftercare program to facilitate their business retention and progression in the City of Durban.

Project: identify, explore and project package two new Fdi opportunities in Ict or existing sector

Green FDI opportunities exist across all sectors and the future clean energy industries are supported by this innovation. This program reviewed the City's green economy guiding framework to update certain areas lagging behind the policy advancement. This

is further supported by the current government release and awarding of the Independent Power Producer (IPP) contracts to produce clean energy.

The Cape Agulhas project looks at the use of the Cape Agulhas Current to generate clean electricity for the City of Durban. The pre-feasibility study conducted by Invest Durban Unit is completed with recommendations on identifying the full feasibility of this project and its suitable site location and technology available. There is a keen interest in this project from investors in England, Newcastle and United States of America in California and China. This project could produce more than 355 mega-watts of clean renewable electricity energy for the City of Durban. Currently there is an ongoing process of sourcing the feasibility and bankable business plan for this project since the recommendations confirmed the viability of this project. There is an across-the-board collaboration with key stakeholders and academia for this project to go ahead. There is currently an interdepartmental collaboration with the Energy Office to have the project included in the IDP and later defined as catalytic.

Foreign Direct Investor After-care and Expansion

Invest Durban has continued to perform an investor after-care of businesses that have expanded their presence in eThekweni Municipality. These include Amalgamated Beverage Industries (ABI) R200 Million Rands, Bhakresa Group (R1 Billion Rands) and Cipla Pharmaceutical Company

(R1, 6 billion Rands) but for reasons beyond Durban, they had to pull out their investment.

Success and awards received

Standard Bank KZN Top Business Portfolio Award with Business Leadership awarded to Invest Durban Unit for Municipal Partnerships Award for 2018



Figure 100: Top Business portfolio award

Future focus – 2018/19

- Outbound International Investment Missions (UK, USA and Europe)
- Team Durban Investment Advisory Forum establishment
- Foreign Direct Investment targeting and attraction
- Existing FDI Aftercare (synergised with customer relationship management software)
- Strategic partnerships
- National (Invest SA, Brand SA, Presidential Investment Envoys)
- Provincial (TIKZN, Dube Trade Port, KZN Growth Fund)
- Metro (FDI Champions in each Cluster & relevant Units)
- Business (Durban Chamber, KZN Growth Coalition, Industry clusters and associations)
- Implement Council adopted recommendations in capacitating the Unit.

LEVERAGE, INFLUENCE AND FACILITATE KEY INFRASTRUCTURE DEVELOPMENT AND MAXIMISE THE LOCAL BENEFIT

The Catalytic Projects Unit is planned within the Economic Development and Planning Cluster within the City. This Unit is set up to facilitate and fast track key developments within the city in realising the city's vision of a liveable City.

Interim arrangements have been made to focus staff resources on the Catalytic Projects. Project Facilitators have been seconded to the Office of the DCM: Economic Development and Planning, on an interim basis from various Units, as a precursor to the establishment of the Catalytic Projects Unit.

2017/2018 Priority Projects

Approximately 30 programmes/projects are being facilitated as Catalytic Projects across the city which are at various stages of the project life cycle. The following are currently underway with implementation:

- Clairwood Logistics Park
- Cornubia
- Dube Trade Port
- C3 Corridor (nodal developments)
- Keystone Logistics Hub
- Point Waterfront
- Umhlanga (key site developments)

Successes and Awards Received

A number of successes have been achieved during the year in terms of the delivery of projects and/or milestones achieved, such as:

- Brickworks – Ph 1 Rezoning approval
- Clairwood – Construction started
- Point – Start of promenade upgrade
- The Pearls – Development completed
- Oceans Umhlanga – Construction started

Successful projects with captions



Figure 101: The Pearls, uMhlanga

Challenges and Mitigations

A number of challenges are experienced during the roll-out of the various projects, these dependant on project specific issues, some of which include:

- Work stoppages to sites under construction by 'Business Forums'
- Lack of readily available bulk infrastructure to support proposed development requirements.
- Delays in getting necessary statutory approvals by other government departments, such as: release of land from agricultural use (70/70), water use licence application (WULA), Environmental Authorisation, etc.

Future Focus – 2018/19

The focus for 2018/19 will be to continue to facilitate the delivery of the catalytic programmes/projects in partnership with the relevant stakeholders, private and public. This for both existing projects that have been identified as well as new projects that will be coming on stream, given the dynamic nature of the property development sector.

In addition, the focus will also be on setting up and capacitating the approved institutional set up for the Catalytic Projects Unit to increase capacity within the team and bring on board the necessary support services.

ENTERPRISE AND SECTOR DEVELOPMENT

BUSINESS SUPPORT, TOURISM & MARKETS UNIT

Facilitating Industry Skills and Economic Inclusion, Managing the Informal Economy, Managing the Bulk Fresh Produce Market, Socio-economic development through the creation of sustainable jobs within various sectors and Enterprise Development and promoting Durban as a Tourist Destination. The custodians of this programme are the Business Support, Markets and Tourism Unit.

INFORMAL TRADE

There is fully-serviced infrastructure for informal traders provided to date valued at approximately R250million for services such as structures, ablution facilities, storages, access to water and services, etc. EThekwini Municipality was the first City to adopt the Informal Economy Policy and established 16 retail markets, 15 containers parks, 10 flea-markets throughout the region. The unit registered 45,572 vendors in the informal economy sector on the computerized Revenue Management System (RMS) generating roughly R36, 6million in monthly revenue.

TRAINING OF INFORMAL TRADERS

There were capacity building programs for informal workers, e.g., financial literacy with close to 6000 Traders benefiting, Business Management skills training for 2100, 1050 vendors who attended who attended Food Safety Training and 2500 Traders received Loans through Opportunity Finance and Ithala Bank and a further 1200 machinist trained.

The informal trade team facilitated Social Dialogue workshops conducted together with International Labour Organization as part of Informal Economy Policy Review, aimed at strengthening EMIEF (EThekwini Municipality Informal Economy Forum) which is a leadership structure allowing stakeholders to engage in dialogue on strategic issues affecting the informal economy comprising formal business representatives, trader organizations and committees, various municipality departments, enforcement agencies, councillors and provincial departments of economic development officials for the advancement of the informal sector.



Figure 102: Launch of Bulk Buying Project for Spaza Shop Owners

INFRASTRUCTURE PROVISION

The Unit provided requisite infrastructure in the following markets:

2017/2018 Capital Projects

1. Mealie Cooker Facility to the tune of R3.5 million
2. Bovine Head Market – R7 million,
3. Bead Sellers' Market – R3.5 million,
4. Badsha Peer shelter – R1 million,
5. Etna Lane Recycling centre - R1.5 million,
6. Cornubia Retail Facility – R10 million
7. AB Xuma Street Informal Recycling Centre – R8 million
8. Roll out of Trader structures in Pinetown- R8 Million
9. Traders Storage – R5 million,
10. Brook/Warwick storages – R500k,
11. Herb Sellers' Market – R4 million
12. CBD – Joe Slovo and Dr Goon am Street Trader Shelters – R1.3m
13. Ezimbuzini Mechanics Structure – R10 million
14. Kiosks competed at KwaMnyandu Mall Pedestrian Bridge – R8 million

2018/2019 Capital Projects

1. KwaMakhutha Business Hive – R13 million
2. KwaMakhutha Hostel Business properties – R14 million
3. Folweni Business Hive – R8 million
4. ISipingo Secondary CBD Traders shelters valued at R8 million
5. Dalton Hostel Business properties – R15 million
6. Klaarwater Hostel Business properties – R17 million
7. Mtshebheni Trader Facilities – R8 million
8. EZimbuzini Herb Market – R2.1 million
9. Mansel Road Upgrade – R4 million
10. Umlazi V Node – R3.5 million
11. KwaMnyandu Traditional Food Market – R13.2 million
12. Hambanathi Units – R2 million
13. Umbumbulu Stalls – R2 million
14. Umhlanga Traders Storage – R900k
15. English Market Upgrade – R8 million

INFRASTRUCTURE PROVISION

Informal Trader Shelter being built in Pinetown, also Durban CBD & Isipingo CBD project due to start in August 2018 introducing New Typologies/New Design that will create City wide standard and improve public realm within CBD (R8 Million in both CBDs)



Figure 103: Hostel Business Properties



Figure 104: Mielie Cooker Market



Figure 105: Ezimbuzini Market Site Sketch

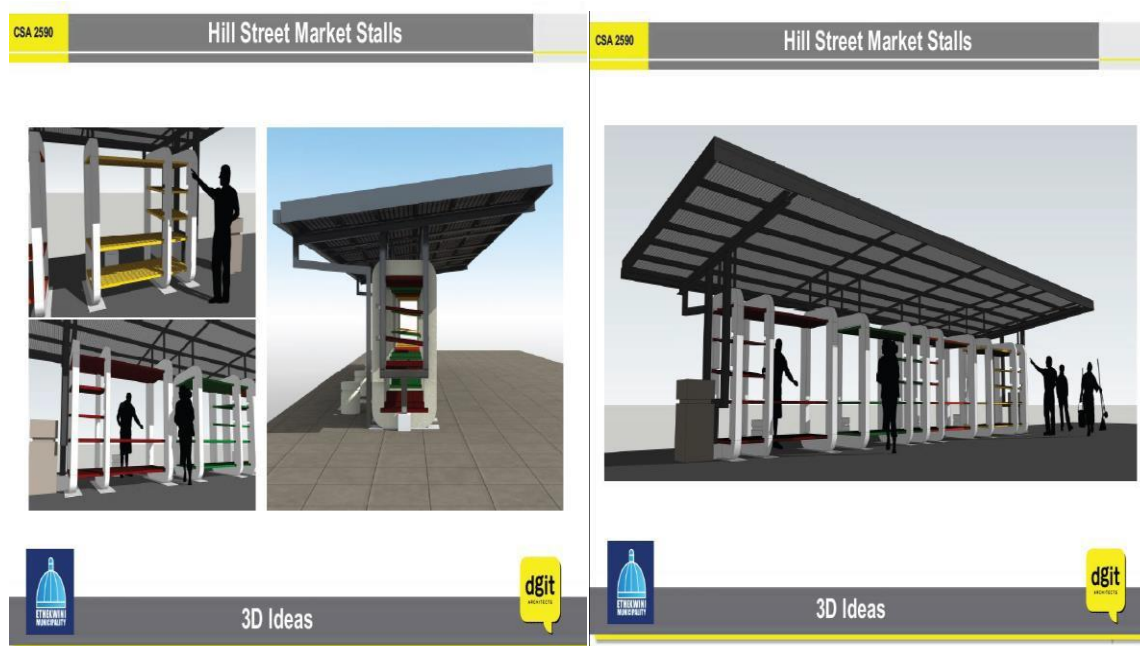


Figure 106: Informal Traders Shelter

Informal Trader Shelter being built in Pinetown, also Durban CBD & ISipingo CBD project due to start in August 2018 introducing New Typologies/New Design that will create City wide standard and improve public realm within CBD (R8 Million in both CBDs)

TOWNSHIP BUSINESS CHALLENGES

- Lack of customer relations, promotions, price changes, and lack of new product features.
- Lack of small business management education (training)
- Lack of technology - cash tills, electronic banking
- Poor location (infrastructure) – Electricity, water and foot fall
- Lack of legal requirements - Permission to trade, business registration etc.
- Failure to manage finances - Record keeping, budgeting etc.
- Lack of inventory management - Ordering stock, transporting stock, theft, overtrading
- Crime - break-ins, armed robbery
- Lack of financial support

INFORMAL ECONOMY AND RETAIL MARKETS

The Informal Economy & Retail Markets department is a department that promote and provide informal businesses within eThekweni Municipality

Objectives

Provide an integrated business support services to promote informal businesses

2017/18 KEY PRIORITY PROJECTS

- Berea Herb Market upgrade
- English Market upgrade
- Mansel Road Market upgrade
- RMS implementation

FUTURE FOCUS – 2018/19

Achieve stage four of the SCM processes in the upgrade of Tongaat Early Morning Market, Phoenix Millennium Market, Bangladesh Market & Fragrance Street Market

EMERGING CONTRACTORS / CONSTRUCTION

The primary purpose of the Business Support, Tourism and Markets Unit is to provide integrated business support service to existing and potential businesses within eThekweni Municipal Area.

Objectives

- a) Promote inclusive participation of emerging contractors in the built environment
- b) Provide enterprise development for emerging contractor through incubation programmes
- c) Facilitate sustainable development for emerging contractors through technical training
- d) Provide support to emerging contractors, INK Incubation programme
- e) Provide SMME support through Construction development programme
- f) Facilitate and coordinate BBBEE compliance for emerging contractors

2017/18 KEY PRIORITY PROJECTS

INK Construction Incubator Program

The construction incubator program provides support to 34 emerging contractors in the civil construction sector. The program focuses on the following;

- Mentorship interventions
- Business support
- Technical support
- Post programme mentoring and coaching

Construction Indaba 2017/2018

This programme is aligned to Durban Business Fair 2017/2018 and provides a platform for industry insight and information dissemination in particular to opportunities and compliance.

Construction Development Programme

The programme is supported through vast array of interventions, in particular technical trainings to emerging contractors.

BBBEE Workshops

The BBBEE workshops provides a platform to contractors to adequately comply with Construction Industry Development Board Act and other applicable legislation.

Challenges

- The chief challenge is lack of access to opportunities in the construction sector. Limited technical and financial expertise to fund projects by emerging contractors

Mitigations

- Strengthen collaboration with agencies, non-profit organisations, government departments and line departments to increase capacity and opportunities.

Future Focus – 2018/19

- INK Construction Incubator Program
- Construction Indaba 2018/2019
- Construction Development Programme
- BBBEE Workshops

INFORMATIONWORKSHOPS

Profile of the Department

Small businesses are vital contributors to the health of the economy and offer a diversity of opportunity in our Society. Small businesses boost productivity, increases competition and innovation, creates employment and prosperity, and revitalizes our communities. The Business Support, Markets & Durban Tourism Unit, (BSMTU), creates an enabling environment to help people to earn a living and rise out of poverty and in turn over time they create jobs as well as empower other individuals and the communities in which they live. Moreover, it encompasses access to finance, entrepreneurial skill development, enabling the start-up of small businesses to providing business skills development

through training, mentoring, coaching. It offers operational assistance to small, black-owned enterprises, which is also a core component of the SA Government's BBBEE strategy and globally recognized as an effective way of reducing poverty.

Functions

Through this Unit a platform is created for women-owned and youth-owned enterprises to develop into sustainable businesses. There is also a platform created for sector programme such as construction, tourism development, arts and crafts and the ICT sectors. Access to markets are facilitated through the Exhibitions and Fairs as well as a Business Linkages Programme, however, there is room for more opportunities through preferential procurement policies. Research and the development of policies and strategies are critical to the growth of small businesses and further to Governments proposed strategy of partnerships. The Unit develops strategic partnerships for the purposes of engaging the private sector for both their resources and expertise in the development of SMMEs.

The Unit also facilitates the management of the informal trading sector, especially street trading which is a demanding task involving demarcation of trading areas, issuing of permits, organising traders into area committees that feed into a citywide forum, and on-going collection of rentals. Coupled with this, is the necessary enforcement of regulations and by-laws in conjunction with the Metropolitan Police, as well as negotiations and dispute resolution where the interests of residents, traders and the formal economy come into conflict.

2017/18 KEY PRIORITY PROJECTS

Access to information workshops

There has been a growing need for the implementation of the Business Empowerment and Information Dissemination Workshops Programme in support of the Accelerated Economic Empowerment and Transformation agenda, so that communities are empowered with information to meaningfully participate in economic development initiatives. In this regard, BSMTU has conducted 54 access to information workshops in various wards of the Ethekwini Municipality, including rural areas. Disseminated

information was based on various programmes run by the City, which included Cooperatives Development, Construction, Agri-Business, Go Durban Transport Routes development programme, Business Compliance, Youth and Women business development programmes.

Challenges and Mitigations

Lack of capacitation of Business responsibilities and not become a development programmes. Forums, so they understand their roles and hindrance in the implementation of the City's



Figure 107: Workshops on Cooperatives Development



Figure 108: Workshops on Go Durban C Route Development

Future Focus – 2018/19

A schedule of twenty access to information workshops targeting rural areas has been prepared for the 2018-19 financial year.

TOURISM DEVELOPMENT

Objectives

- a) To drive the tourism sector transformation programme, through:
- b) Tourism SMME support, (simplifying & improving systems for entrepreneurial support);
- c) Tourism awareness programmes.
- d) Facilitate partnerships with established businesses and other relevant partners.
- e) Participate in identification of new tourism products and tourism infrastructure upgrades.

Successes

Tourism Enterprise development

20 SMME's participated on a Tourism Enterprise and supplier development programme engaging emerging as well as established private sector businesses, such as Sun International and larger Entities such as the ICC. The programme included the identification of accredited suppliers for inclusion on their database as well as partnerships to showcase their crafts and wares. Various workshops were conducted as well as supplier day, focussing on training and mentorship. The outcome of this has been the establishment of a Council for Economic Transformation of South Africa, (CETSA), approved by the DTI, to lobby, influence and advocate on behalf of SMEs in the tourism sector, to ensure that there is transformation in the sector.

Other Tourism Enterprise Development included training of tourism SMMEs and others on ICT, participation of tourism businesses on trade shows and events for exposure and access to markets, e.g., the Soweto Festival, Essence Festival, Tourism Indaba, etc. A Capacity Building programme was also conducted for Community Tourism Organisations.



Figure 109: Tourism SMME Engagement Workshop - Participation by Tour Operators at the Soweto Festival

TOURISM AWARENESS ACTIVITIES AND TOWNSHIP TOURS, ETC.



Figure 110: Cultural heritage, rural & eco-tourism product development

As part of the long term development of the Inanda Heritage Route, a further number of sites of significance were identified and recommendations made for their future development. These sites included:

A number of other rural tourism products were compiled and submitted to the Indi Atlantic Route Project of the National Tourism Department, in which BSMTU participates



Figure 111: Rural tourism products

Future Focus 2018/19

Establishment of Accelerator, Virtual Incubator and Innovation Programme

Given the complexity of the challenges facing entrepreneurs and the high failure rate of start-ups, it is highly recommended that there is some form of mentorship programme, funding (facilitating thereof) and business networks. It will function as a platform for external large entities and get involved in such programmes and offer procurement opportunities for emerging entities i.e.

- Conduct Tour Guide Training Programme in response to needs expressed.
- Further identification and development of new Cultural Heritage and Eco Tourism Products and identify sources of funding.
- Facilitate the Tourism Directional Signage Programme as a matter of urgency.
- Identify more opportunities for participation of tourism business in trade shows and events, for access to markets and exposure.

- Conduct more tourism awareness programmes to increase visitation on townships and rural areas.

CORNUBIA DEVELOPMENT PROGRAMME

The Business Support Unit has provided business premises at Cornubia to ensure that operating environment meets the needs of businesses and enables new opportunities. Working in partnership with relevant institutions and private sector organisations such as Tongaat Hullet, this has created a conducive environment by developing a database of existing local businesses to assist identify opportunities for business, training and mentorship programmes for improved capabilities. This has resulted in improved co-ordination between labour market demand and supply.

Retail is one of the dominant economic activities at Cornubia and it involves street and home retail industries. In response to this need, the City has created a conducive environment by building this Cornubia Neighbourhood Retail Facility here at Phase 1a. Ten (10) trading shops have been allocated to Cornubia business owners and include a butchery, a restaurant and other smaller food shops, a car wash, hardware shop, an internet café, craft/textiles/laundry shop, as well as a medical doctor's room. Planning for the formal launch for the official opening of the Retail Facility during July, 2018 was done. In view of the expressed demand for retail trading facilities at Cornubia, another retail facility at phase 1b is at conceptualisation stage.



Figure 112: Cornubia Development Project

The construction phase of the Retail Centre also provided employment opportunities for ten (10) local people. Furthermore, given the major housing development programme at Cornubia and other initiatives such as the Go Durban Development, strong focus has been on construction opportunities that exist for local emerging businesses.

Individual assessments have been conducted for emerging SMMEs currently sub-contracting at Cornubia to ensure that they get exposure through the necessary skills and mentorship programmes.

An estimated number of 100 residents of Cornubia secured employment in the nearby new Cornubia Mall. Two (2) businesses received sub-contract opportunities on cleaning and security within the mall. BSMTU continues to facilitate private-public partnerships for collective stakeholder strategizing for the local economy to grow.

AGRIBUSINESS

The Department of Agribusiness is a department that deals with improving the productivity of small-scale farmland and SMME's in the Agri-Business Value Chain through;

Providing Small Scale farmers and Agribusinesses SMME's with customised solutions that reduce barriers to markets through embracing science, innovation and technology.

Improving the sustainability and profitability of their land and business enterprises while increasing their contribution to eThekweni GDP

Objectives

- a) To Incubate Start-up and Growth entrepreneurs operating in the sustainable food value chain.
- b) To disrupt and aggregate the South African Sustainable Food Value Chain by:
- c) Developing previously disadvantaged entrepreneurs that can consistently, sustainably and profitably produce, process and deliver food; and

Establishing an incubator that is dynamic, vibrant, innovative and inclusive to create wealth and legacy.

Functions

Policy Advocacy, trade Facilitation, Agro-processing, Primary Agriculture Production: Crop and Livestock.

2017/18 Key Priority Programmes/Projects

- Rainbow Chicken Farm Purchase
- Purchase of six (6) Tractors
- Tunnels Farms
- Warehouse Upgrade (Clairwood Fresh Produce)
- Vegie Distribution Depots Upgrade
- Farmer Production Support Units (@ R3,5m X 6 units)
- Fencing - Convectional Crop Production
- Irrigation
- Agri-Industrial 4 (TurnKey Catalytic Projects)
- Farms site and Surveys
- Farm site assessments and technical specifications for infrastructure requirements

Challenges

- Capacity to develop technical specifications for infrastructure rollout
- Staff shortage

Mitigations

- Outsource Vukuphile Services for infrastructure rollout
- Outsource technical services e.g. Surveys and Technical engineering services

Successes and Awards Received

- Irrigation Installation: 5x sites
- Fencing of 21 Sites
- 6 Tractors bought, 400ha Ploughed
- Poultry farm procured, Capacity of 360,000 Broilers (discussions for contract growing for astral foods underway)
- Launch of the Agribusiness Department and RASET Programme

Future Focus – 2018/19

- Establishment of eThekweni Agri-Master Plan
- Establish eThekweni Agribusiness (SPV)
- Feasibility Study for Out-grower Sheep Production Incubators
- Crop Production Tunnel Farms (Rural and Township)
- Farmer Production Support Units
- Fencing Agri-production Farms (Rural and Township)
- Irrigation Agri-production Farms (Rural and Township)
- Agri-Industrial and Value add Production



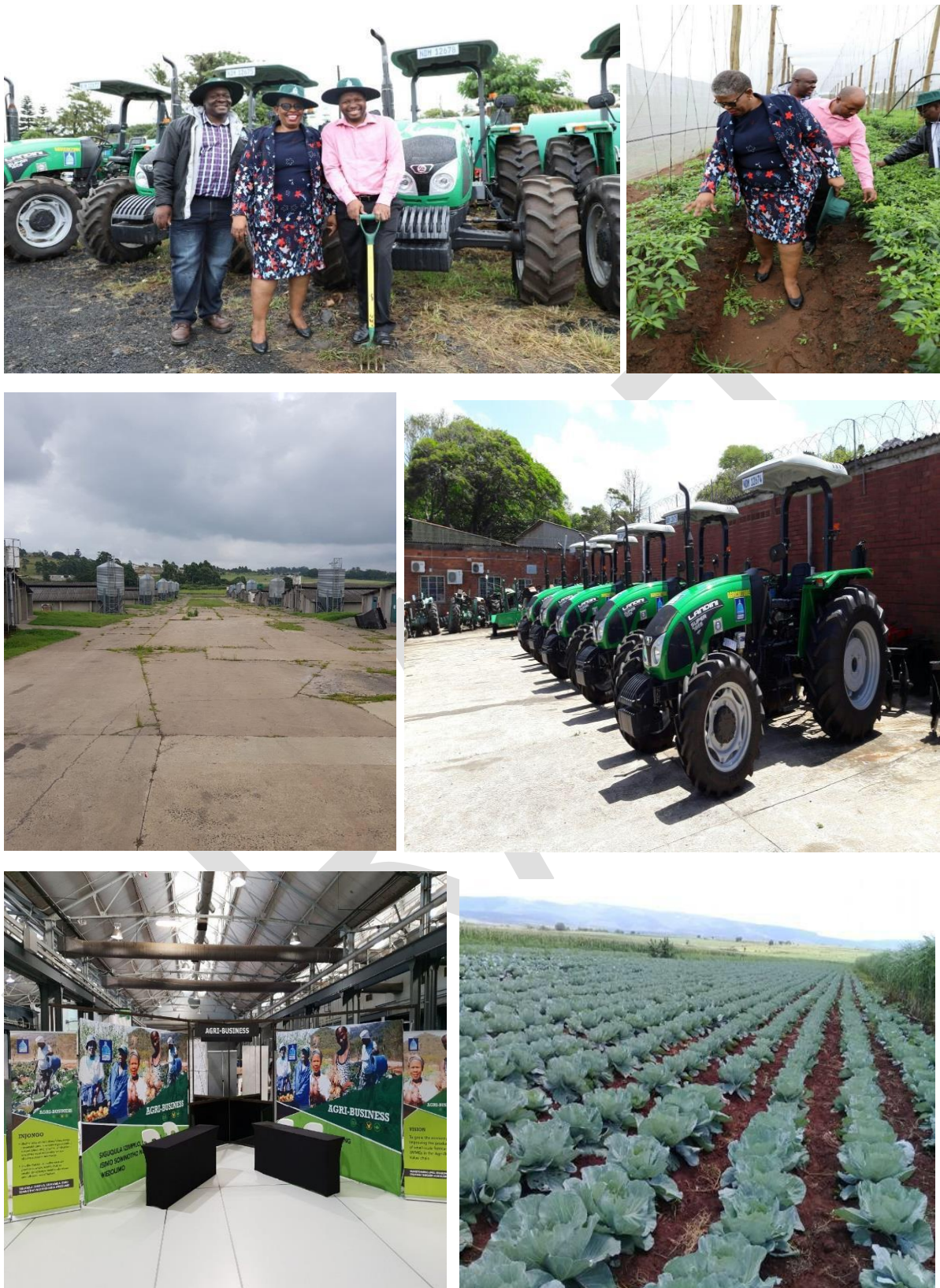


Figure 113: Cooperative Development Programme

Objectives

- a) To improve and provide capacity to the Co-operatives
- b) To ensure the improvement of the quality of service or products rendered
- c) To create awareness of the Co-operative model
- d) To address the Social and Economic needs

Functions

- Implementation of the Co-operative Development Strategy
- Public and Private Partnerships
- Dissemination of business information
- Facilitation of Mentorship Specific Programme
- Co-operative Virtual Incubator Management
- Facilitate funding for Co-operatives through financial stakeholder participation
- Facilitate access to markets globally and locally through exhibitions and trade fairs
- Manage and facilitate co-operative development database

2017/18 Key Priority Programmes/Projects

- Access to Business Information and Capacity Building and Incubation Programme
- Technical Skills Training
- Soft Skills
- Access to Finance through external stakeholders
- Access to Markets & Procurement Opportunities

Successes and Awards Received

Key priority projects were delivered as per project plan

Future Focus – 2018/19

- Deliver more technical and soft skills trainings
- Conduct needs analysis for our clients
- Align capacity building interventions
- Facilitate participation of Co-operatives in marketing platforms through exhibitions/trade fairs
- Lion's Den Business Plan Competition

- Identify procurement opportunities for Co-operatives
- Consult with financial Development Institutions for strategic alliances
- Mentorship Programme

STRATEGIC PARTNERSHIPS AND BUSINESS LINKAGES

Objectives

- a) To set up business linkages and strategic partnerships with businesses for the growth and sustainable development of SMME's.

Functions

Facilitate programs which address challenges the following:

- Access to Finance
- Access to Markets
- Skills Development

2017/18 Key Priority Programmes/Projects

- Inkunzi Isematholeni programme with Ithala Bank
- Franchising workshop with Franchising Association of South Africa and ABSA
- Women Empowerment engagement with Ethekewini Maritime Cluster

Successes and Awards Received

Inkunzi Isematholeni award for an innovation project

Future Focus – 2018/19

Greater focus on establishing new partnerships and linkages more than maintaining established relationships

IMPACT

R291, 2 million Contribution to the GDP

R19, 5 million Generated in Government Taxes

616 Jobs Sustained

1409 Employment Opportunities Created

ESSENCE FESTIVAL DURBAN/MAIN FAIR

The ESSENCE Festival Durban 2017 was held in September 2017. The six-day programme, included the Durban Business Fair amongst many other programmes, was created to empower and to give live empowering experiences to locals, tourists from within and outside the province, and abroad e.g. Africa, US and UK.

Success and Awards Received

A total of 70,072 people attended the Festival in the 6-day programme compared to 61 022 people that attended last year. This excludes businesses that exhibited and talent.

Before the actual event, 83 500 people participated and were activated in various engagements that promoted the Festival.

Durban Artists that Benefitted

Furthermore, a total of 145 artists including music, performing and visual artists were engaged in various platforms, i.e. activations, centre stage, carnival and concerts. As a result, the Festival made an impact to 248 households in as far as creating opportunities for artists is concerned. The Festival created an opportunity for local artists to perform live to a total of 145, 322 people.

Speaking Talent from Durban

104 of the speakers in the 6-day programme were from Durban and were spread across all verticals. 65 were national including KwaZulu-Natal and 35 came from African countries while 26 were from the US. The programme also attracted 4 talents from the UK, 1 from Italy and 3 from New Zealand.

A total of 160 international business delegates were hosted, excluding the media, artists and general tourists.

ESSENCE FESTIVAL



20 year celebration was launched in May

DURBAN BUSINESS FAIR CELEBRATES 20 YEARS OF EMPOWERING ENTREPRENEURS



The Municipality celebrated 20 years of growth and success of the Durban Business Fair in style. The event which was in a street market format featured various activities including entertainment, exhibitions, fashion, food, music and much more.



Inner/ Outer West Regional Fair in May 2018



Figure 114: Essense Festival

92 Exhibitors

1342 Business Indaba Delegates

580 Youth in Filmmaking Master-Classes and youth Business Connect

Future Focus – 2018/19

- Durban Business Fair turns 20 YEARS this year and the focus is on celebrating this great milestone whilst improving and innovating the offering and creating solutions and opportunities for businesses.
- The City of Durban has invested over R200 million since its inception.
- 90% of investment is spent on SMMEs through Procurement and Capacity Building.
- SMMEs invested over R15 million through their participation in Durban Business Fair exhibitions and conferences.
- An estimate of 10 000 sustainable jobs have been created through the Durban Business Fair program.
- Regional Fairs provide platform for local economic participation to over 2800 township entrepreneurs.
- The City to spend R99 million in the next 3 years on the Durban Business Fair.
- Durban Business Fair economic impact is estimated to be R63 million per annum.
- SMMEs are projected to invest over R40 million through their participation in exhibitions, seminars and conferences in the next 3 years.
- South Regional Fair 27 to 29 July 2018. North Regional Fair 17 to 19 August 2018 and Main Fair is 18 to 24 September 2018.

Women Empowerment – 2017/18

- Health & Safety training for 17 women in Maritime.
- 25 unemployed youth (females) trained in manufacturing hard furniture.
- Co-ordinate and host four (4) women empowerment ward-based business workshops for over 300 women.
- Co-ordinated four (4) networking sessions to empower over 300 women with information and opportunity to network.
- Co-ordinate and host 720 women in the economic empowerment engagement during the ESSENCE Festival.
- 110 Rural Women trained on Faranani

CHALLENGES AND MITIGATIONS

Partnership with external stakeholders that do not start on time.



Figure 115: *Women in Business*

2018/ 19 Focus Areas

- Partnership with Productivity SA to train 200 women in productivity.
- Facilitation of opportunities for women and youth in events such as Imbokodo Jazz Festival – in August 2018
- Women Economic Empowerment engagement in the 20 year celebration of the Fair for 700 women.
- Incubation & mentorship initiatives tailored for women in response to RET

BUSINESS LICENSING

Objectives

- a) Provide an effective Licensing services within the Municipality for the sale and supply of meals, entertainment or health facilities and accommodation establishments, in terms of the Businesses Act, Act 71 of 1991.

Functions

- Processing of business license applications within the legislated period
- Compliance site visits to different businesses to monitor and enforce compliance with the legislation
- Complaints investigation
- Education and awareness

2017/18 Key Priority Programmes/Projects

- Efficient processing of business license applications within the prescribed time frames.
- Notifying the applicants of the outcomes of their business license applications within 30 days from date of receipt of applications.
- Licensing of small businesses (spaza shops) in the R293 townships (North region)

Challenges

- Legislation and regulations which are outdated. Red tape on the licensing of businesses
- External stakeholders, less participation in the processes
- Training of communities about the legislative provisions and compliance thereof

Mitigations

- Promulgation of new laws i.e. KZN Businesses Bill (2015) or amendment of current legislations
- Improve relationships and stakeholder engagements in the licensing processes

- Increase in community trainings and awareness campaigns in relation to laws, regulations and By-laws

Project/Programmes

- 2819 business license applications processed and finalised
- 14 409 compliance inspections conducted
- 1033 summons issued for non-compliance with the Businesses Act
- 33 community awareness campaigns conducted

Future Focus – 2018/19

- Licensing of small businesses (spaza shops) in the R293 townships (Upper North region) and (South region)
- Intensive stakeholder engagement
- Efficient processing of business license applications within the prescribed time frames
- Notifying the applicants of the outcomes of their business license applications within 30 days from date of receipt of applications

FASHION DEVELOPMENT PROGRAMME

DFF Mentorship Programme

Training young and emerging designers on technical skills, i.e. pattern making, cutting, grading, storyboard preparations, range designing , fabrications, drawing of inspiration, interpretation of trends and colours, adaptation and business skills, i.e. business plans, marketing & advertising, social media management, costing and pricing and brand building.

Durban Fashion Fair

The fair is an access to markets programmes aimed at assisting the fashion businesses to promote their brands to the fashion media as well secure business opportunities.

DFF Emporium

Retail access programme for the DFF designers

DFF New Face and Bootcamp

Recruiting of aspiring models and training – ramp, nutrition and physical & personal grooming.

Emerging Designer Search introducing trading designers to the platform and media

Sewing Training

Training on basic sewing skills

Challenges

- Dropping out designers due to overcommitting themselves resulting in less designers, some have low levels of commitments.
- Highly competitive market
- Limited access to markets
- Lack of business ethics
- The programme is expensive as it carries a lot of creative work

Mitigations

- Budget for designers to support their career. They require assistance with sourcing of fabrics

Deliverables

- 15 Designers completed the mentorship programme
- 60 designers participated in the DFF (fashion week)
- 30 Designers exhibited at the DFF 2017 Pop up shops
- 47 Designers participated in the Essence Fashion Pavilion



Figure 116: Access to markets – Box Shop in Umlazi



Figure 117: Essence Festival DFF 2017 New Faces

Future Focus – 2018/19

- More Training for both technical skills and businesses skills
- The unit will be recruiting new meets, aspiring models, DFF participants, introducing hair training, re-visiting the international internship programme.
- Expand on the access to markets programme through participating on relevant platforms.

ARTS & CRAFTS

Product Development Training, the crafters were trained on working their craft design, trends, colouration and production for the purpose of accessing more market opportunities. To also improve on the quality standards

Access to markets

The programme focuses on identifying the crafters with access to markets through exhibition and trade show around the country.

Successes

Partnership with the Department of Small Business Development and KZN Department of Economic Development Tourism and Environmental affairs.

Future Focus – 2018/19

Focus on technical training, access to markets and business skills training.

DURBAN TOURISM

Department Profile

Durban Tourism is the official marketing department of EThekweni Municipality which is responsible for ensuring that the City is marketed globally whilst it remains a leading South African tourist destination.

The strategic focus of Durban Tourism is to drive tourism and make it a key contributor to the local economy, thereby promoting economic upliftment for all its communities. Recognising that tourism is an industry that is never static, Durban Tourism is committed to building and defending the Durban brand, thus ensuring that it remains not only the national destination of choice, but also that of the global market.

Durban Tourism has made considerable progress in repositioning the city as a sophisticated destination with an extensive variety of things to do. In re-aligning itself to be at the cutting edge of worldwide trends in destination marketing, the city is focussing on providing visitors with a unique set of experiences that go beyond the beach and into the realm of Durban's cultural and scenic diversity.

Objectives

- a) To market Durban as a “must visit” destination to the Domestic and International tourism markets.
- b) To position Durban as a preferred “must visit” tourism destination.
- c) To provide current, relevant and accessible information which is reliable, consistent and accurate.

Functions

- Marketing of Durban to Domestic & International Markets.
- To establish and create a demand for Destination Durban.
- Development of a Durban Visitor Marketing Strategy.
- Tourism Development and Route Development.
- Management of Community Tourism Organizations (CTO's).
- Building of Trade & Industry Partnerships.
- Stakeholder Management.
- Distribution & Dissemination of Durban Visitor Information.
- Management & Production of Marketing Collateral for Durban.
- Promotion of the Durban Brand, Durban the warmest place to be.
- Coordination and Management of Tourism promotion events.
- Attendance at National & International Tourism Trade Shows.
- Analysis and Management of Tourism Business Intelligence.
- Tourism Product Quality Assurance.
- Management of Tourism Related Databases.
- Global Digital Marketing Campaigns.
- Niche Marketing – Cruise Tourism/Golf Tourism/Airlines.
- Community Tourism Initiatives.
- Business Tourism (MICE).
- Hosting FAM Trips for strategic media & trade.

2017/18 KEY PRIORITY PROJECTS

- Expansion of the Tourism Sector;
- Enhance the perception of Durban as a tourism destination using online/web presence globally
- Brand and destination positioning through Events and MICE sponsored by the City
- Manage 100 site inspections for verification of product quality as a tourist offering
- Conduct 4 socio economic impact assessments
- Radio, TV and print communications nationally & globally (SABC Radio, TV, Print media and CNBC)
- Strategically position the city of Durban as a “must visit” tourism destination in UK, Europe and America's
- Strategically position the city of Durban as a "must-see tourism destination" in Asia, Australasia and Middle East.
- Provision of Information and Tourism Services; Brochure Distribution; Conference Support; Cruise Industry Support and Domestic Trade and Consumer travel shows

2017 /18 AGGRESSIVE MARKETING AND CONSUMER ENGAGEMENTS:

PLATFORM	ACTIVITY
	<p>Promotion of Durban as an outdoor and adventure destination.</p> <p>Expose the City's product diversity and its versatility to service and satisfy various markets.</p> <p>Destination Information Dissemination & Brochure distribution</p>
	<p>Launch of the Discover Durban campaign in November 2017.</p> <p>The unveiling of the new marketing approach to implement the Visitor Marketing Strategy</p> <p>The emphasis on the seasonal campaigns and prioritization geographic spread to ensure visitor dispersal.</p>
	<p>Ensure, maintain and protect the lead domestic tourism through continuous engagement with land locked provinces with specific emphasis on Gauteng, North West, Mpumalanga and Free State</p> <p>Destination Information Dissemination & Brochure distribution</p>
	<p>Durban Destination Stand Exhibition</p> <p>Durban Fun Season Campaign packages Promotion</p> <p>Aggressive Consumer Engagement competitions</p> <p>Destination Information Dissemination & Brochure distribution</p>
	<p>Igniting Winter Season Campaign to the Tourism Trade</p> <p>CTO's participation</p> <p>Promotion of Fun Season Campaign and Winter package</p> <p>Outside Events Fun Season Guide Distribution</p>
	<p>Igniting Winter Season Campaign to the Tourism Trade as part of Discover Durban.</p> <p>Aggressive Trade Engagements</p> <p>Destination Information Dissemination & Brochure distribution</p>



Figure 118: Aggressive Marketing and Consumer Engagements

2017 /18 EVENTS LEVERAGING

Key Events - 2017/18



Festive Season Events

Key Events	Date	Attendance
SABC Gospel Crown Awards	25 Nov 2017	24 000
Umnini Festival	16 Dec 2017	25 000
Durban Braai Day	25 Dec 2017	30 500
Durban Jazz Festival	26 Dec 2017	45 000
Durban Underground	25 Dec 2017	22 000
Good Sundaes	26 Dec 2017	15 500
Fact Durban Rocks	31 Dec 2018	28 000
Woza Durban Picnic	1 Jan 2018	28500

Table 30: Festive Season Events

Challenges

- Visitor numbers continually going down due to factors outside of the City's control, i.e. economy, inflation etc.
- Diversification of the Durban Tourism products and tapping into new markets.
- Non-compliance and poor quality of tourism products. Capacity building workshops, tourism awareness campaigns and enforcement of existing bylaws and/or legislations while developing a tourism bylaw with a solution to these challenges.
- Event organizers' refusal to submit statistical information with which to measure socio-economic impact of events.

Mitigation

- Adding a clause on events contract making a contractual obligation to submit socio-economic impact statistics.

Success and Awards Received

- Durban - The 20th Mercer Quality of Living report ranked Durban as the most livable City in South Africa.
- Fodor's travel based in New York chose Durban as one of the top 52 places to visit in 2018.
- Durban confirmed as hosts of Africa's Indaba travel show for the next 5 years.
- Durban Tourism won best stand at the Rand Easter show 2018.
- British Airways to fly directly to from Heathrow to Durban from October 2018.



Figure 119: Beeld Show



Figure 120: Durban wins Best Stand at Rand Easter Show



Figure 121: Zulu dancers welcome Cruise Passengers

Future Focus – 2018/19

- Appointment of a destination marketing company based in Europe to distribute the city's tourism offerings directly to the market and increase demand for the City.
- To embark on at least two big seasonal campaigns to promote Durban's attractions and experiences. These will be activated locally, domestically and also internationally.

- To ensure the City's brand presence by branding at least 30 city sponsored events and 10 others by June 2019.
- To attend at least 8 domestic and 4 international shows and exhibitions by June 2019
- To target 4 conferences to support and use as a leverage to promote the destination to an already captured market.
- To attend at least 10 cruise ships and provide tourist information to passengers as they disembark.
- To establish 5 new distribution points and maintain existing for Durban destination brochures
- To launch the arrival of new double decker buses (Ricksha Buses) for the city sight-seeing.
- To establish and implement 2 new City tour routes in addition to the existing ones.
- To conduct at least 100 site inspections per quarter to measure the quality against acceptable standards and ensure compliance with legal requirements of all tourism products.
- To provide funding to 9 Community Tourism Organizations to assist them with their operational expenses and the implementation of their marketing programs whilst monitoring the accountability and the use of such funds according to MFMA and MSA respectively.
- To capture real / live moments to use for social media and online marketing and measure the impact through monitoring

MANAGING THE BULK FRESH PRODUCE MARKET

Functions of the Bulk Market

The Durban Fresh Produce Market (DFPM) facilitates the distribution of Fresh Produce. Commercial farmers, small and emerging farmers are dependent on the Bulk Fresh Produce Market. It creates business opportunities for big, small and emerging businesses, inclusive of informal traders from where they purchase their Fresh Produce. Businesses involved in the wholesale and retail distribution of fresh produce are also dependant on the Bulk Market. In addition, businesses other than those involved in wholesale including the retail distribution (e.g. Processing Entities, etc.). The Bulk Market contributes extensively towards both creating and sustaining jobs in the fresh produce sector.

DFPM has the distinction of being the biggest distributor of fresh produce in KwaZulu-Natal and the third largest Market in South Africa, emerging one of the leaders in the fresh produce industry, confirming the importance and necessity of the Municipal Market as an effective Marketing mechanism to the producer and a of quality produce to the buyer.

The continued and growing support for Durban Market by producers (throughout the country) and buyers has been exceptional and evident in the record turnover of approximately R1,56 billion rand for the financial year despite the increased pressure on the Market from other alternative emerging market options. DFPM was again achieved a National Market Share in excess of 10%. This is achieved through the continued good relationship with role-players in the industry by Management and Market Agents and the effective service offered by Market personnel.

Key Priority Projects

- The key projects can be summarized in terms of the following 4 categories:
 - Provision and maintenance of infrastructure

- The key deliverables in respect of this project pertains to the maintenance of refrigeration and air conditioning plants coupled with general infrastructure maintenance.

Enhancement of facilities

The key output for this financial year in respect of this project is the continuation of the Spurs Refurbishment.

Market Trading System

The critical aspect of this project pertains to the provision of a real-time trading system and the management of the sales floor operations. A key deliverable has been the introduction of a Buyer Information Terminal.

Provision of Support Services entails the following key following areas:

- Marketing of the Bulk Fresh Produce Market; Provision of Ripening and Cold Storage Service; Provision of Security Service; and Provision of Administrative and Systems Control Support.

Challenges and Mitigations

- Provision of infrastructure at level of standards that satisfy stakeholder requirements and expectations
- The Key operational challenges are secondary trading, access to produce and price manipulations.
- Define Health and Safety standards;
- Preparation of detailed procurement plans with the budget;
- Implementation plan for Capital and Maintenance;

- Benchmarking of DFPM infrastructure against other leading Markets; and
- Implement SLA's with Architectural Department.
- All of the above operational challenges are addressed by the implementation of Standard Operating procedures in respect of each challenge identified and is continuously reviewed.
- The Market has commenced a project that will result in the creation of additional trading space for previously disadvantaged individuals. The implementation of a MOA between Durban Market and SEFA has assisted small buyers in improving their buying power. This has been one of first such initiatives to be introduced in the country.

Transformation

The Fresh Produce Sector as a whole has made very slow progress in transforming. Durban Market Agents have made good progress recently in terms of equity ownership.

PERFORMANCE TRENDS

	DURBAN FRESH PRODUCE MARKET : TURNOVER: 2013/2014-2017/18				
FINANCIAL YEAR	2017/2018	2016/2017	2015/2016	2014/2015	2013/2014
ANNUAL TURNOVER R	R 1.56-billion	R 1.48-billion	R 1.461-billion	R1. 231-billion	R1.196-billion

2018/19 Future Focus

- A Capital Budget of R13.5m has been allocated for projects. The project details are as follows:
 - Replacement of Ammonia Coils

- Creation of walkways on the sales hall roof
- Industrial air curtains
- Gatehouse entrance upgrade
- Upgrade of trading facilities

IMAGE OF THE ENTIRE MARKET



FRUIT & VEGETABLE SALES HALL



The Edamame Development Programme

Overview

Agro-processing is amongst the sectors identified by the IPAP and NDP for special attention. The key issue is to retain and expand the agricultural and agro-processing value chains as a provider of labour-intensive growth and creation of jobs. The EDP is jointly funded by eThekweni Municipality (Economic Development and Investment Promotion Unit [ED&IPU]) and Jobs Fund.

2017/18 Key Priority Programmes/Projects

The key objectives are to establish partnerships in the agro-processing sector in order to identify opportunities to cultivate and process Edamame and other high value crops to various products. It also seeks to generate job opportunities and further promote skills development in the agricultural sector. This enables small and medium-scale commercial farmers to increase the value of their produce through agro-processing and provide their produce to well-established markets. The following are interventions within this initiative:-

Emerging farmer support programme: about 313 emerging farmers have been engaged as Jobs to supply Edamame to the program through contract crop program; the EDP also supported emerging farmers throughout the year 2017 with farm plans, capacity building and limited support mechanisms.





Figure 122: Emerging Farmers Supported

The processing facility

More than 3 Tons of frozen pods of Edamame were sent to Woolworths;
 Evidence of HACCP corrective actions submitted to SGS for approval and was issued;
 Halaal certification was received
 The EDP processing facility created about 21 seasonal jobs for local community.



Figure 123: Processing facilities

Successes & Awards Received

- Fresh produce under The Fair Food label, which was recently established, was supplied to a number of organic Shops and markets as bulk supply, while a number of veggie boxes were distributed to area depots in and around Durban Evidence of HACCP corrective actions submitted to SGS for approval and was issued;
- A larger amount, 3 tons of Edamame continued to be supplied to Woolworth stores
- A successful Global GAP audit conducted in February 2018
- An IBL audit took place in March 2018.
- Kosher certification was again issued for roasted beans;

- Edamame Development Programme supplied stock to various restaurants around Durban Food Lovers Market Stores & Woolworths and have negotiated with various other private sector partnership agreements.

Performance Trend

- 313 emerging farmers have been engaged as Jobs to supply Edamame to the program through contract crop program;
- EDP conducted on-going valuable and successful research in South Africa with key academic partners;
- Through Edamame research, the EDP has developed partnerships with local and international Universities;
- A low-care HACCP Processing facility was established (and has been audited by Global GAP) leading to a facility that has income generating capacity.

Challenges & Mitigations

The heavy rain in December followed by a dry spell in January meant that germination and emergence on crops planted in December was poor.

Samples have been sent to two South African Labs with no clear indication as to the identity of the cause, so it is hoped that Illinois will be able to identify the pathogen of the samples sent in March.

IQF is still currently being outsourced to partner facility in Vryheid (600Km round trip) which impact on the supply costs;

The demand for the product in the market currently exceeds supply;

The inability of farmers to meet service and supply consistent quality produce to the market due to the lack of dedicated refrigerated transport;

EDP experienced mechanical problems with tractor and harvester; and

The lack of resources required to nurture and to fully develop all growers 'out of season'.

Future Focus

- Samples have been sent to two South African Labs with no clear indication of to the identity of the cause, so it is hoped that Illinois will be able to identify the pathogen of the samples sent in March.
- Develop a retail logistics and delivery platform;
- Get driver support mechanisms for small scale registered beneficiary growers (Edamame and seasonal vegetables);
- Maximise on the opportunity available to fine tune and present proof of concept model that can facilitate year round production of Edamame and high value herbs to market;
- Secure IQF as it is currently outsourced.
- Edamame Farmers Open Day
- The Edamame Development Program in partnership with eThekweni Municipality, hosted a farmer's open day on the 11th of May 2018, for eThekweni's Edamame farmers and respective farmer development support partners to showcase a unique development model in the agri-processing space.

Objectives:

- a) Give progress to important stakeholders on the different recent milestones of the Edamame Programme.
- b) Gather farmers of this crop from different parts of the City to network, share experiences thereby learning from each other.
- c) Explore different ways that the farmers can expand their businesses with this important super-food and other product.
- d) You will also hear more about the exciting plans with regards to the Fair Food Company.
- e) Sense benefit of collective participation in building a unified brand for its success.

Edamane Farmers' Open Day



Figure 124: Waste Materials Recovery (Use-It)

Overview

The development of industrial economy inevitably entails the production of waste, in such a quantity that the environment is incapable of assimilating and transforming it naturally. Therefore, it is believed that one of the main green economy sectors is the waste retrieval and recycling. It is imperative to move towards a green economy in the solid waste sector by prioritising waste avoidance, minimisation and promoting the “Three Rs” (Reuse, Recycle, and Recover).

South Africa’s urban households are said to generate about 15-million tons of waste a year, while industry accounts for 25-million tons a year. This presents us with an opportunity to drive recycling options to create job opportunities and boost economic development. Effective waste management could positively position this industry as one of the drivers of the green economy. The Waste Materials Recovery Industry Development Cluster (Use-It) is the response to the call for the development and growth of Green Economy. It was established in July 2009 as the eThekweni Waste Materials Recovery Industry Development Cluster with the primary mandate of maximising waste diversion from landfill sites and creating as many jobs as possible through waste beneficiation innovation.

Objectives

It is to develop, support and grow waste beneficiation initiatives, so that they may become economically profitable. USE-IT aims to identify and support waste beneficiation opportunities which increase the diversion of waste away from landfill, whilst simultaneously creating opportunities for green economic growth. It is expected that through these activities, USE-IT will maximise the job creation potential of the sector and focus on Research, Development and Innovation (RDI) as this is still a growing sector.

Focus areas:

- Waste product development
- Mentorship and business advice to emerging small business within the waste economy
- Market access for small businesses
- Conservation of natural resources
- Up cycling skills development
- Advocacy for the development of green economic activities

Programmes

Flagship projects:

- Compressed Earth Block (CEB)
- USE-IT has developed the technology to use building rubble that was destined for landfill as a component of the mix in making building blocks for single story developments. The following progress has been made during the 2017/2018 financial year:
 - Training certificates were issued to production crews that were trained by USE-IT.
 - +\- 32 000 blocks were manufactured for the Hammersdale Waste Beneficiation Centre build.
 - The Shongweni Church order has been completed. Training has been provided to small businesses and the church build is still in process, however, nearing to completion.

Hammarsdale Waste Beneficiation Centre (HWBC)

A waste beneficiation centre has been conceptualised and developed in Hammarsdale in the Outer West region of Durban. The HWBC is designed to act as a hub for a wide range of waste beneficiation projects facilitated by USE-IT in eThekweni. The following progress has been made in the 2017/2018 financial year:

- The build was scheduled to be completed by the end of July 2018 and has been completed.
- An agreement with an anchor tenant is being finalised.
- Implementing an incubation programme is the core.
- The launch has been delayed; however preparations are well on their way.

Glass Beneficiation Programme

The model being assessed at the moment is the development of a central crushing and sieving facility. This project is dedicated to increasing glass recycling in South Africa. 2017/18 progress:

- Completed testing on new product development and market viability, distributed test results to potential funders.
- A new glass facility is in operation at Westmead.
- Assisting an SMME with the development of a small scale glass crushing facility.
- Small Scale Enterprise Development

Waste Up cycling

USE-IT has engaged communities in and around the greater Durban area to up-cycle Scrap Textiles, Plastic and Tyre tube inners. The purpose in training is to impart skills on these individuals in the hope that they will retain such skills for future use that may enable them to become financially self-sufficient when they eventually leave the Ningizumu Special School.

2017/18 progress:

The team has trained and issued certificates to approximately 70 individuals this year.
The upcycled products were exhibited and sold at different expo's.

E-Waste Recyclers

USE-IT is committed to mobilise recycling companies to monitor small enterprises in e-waste dismantling centres and the flow of materials into certified value add processing centres. To engage with corporate and government offices to establish e-waste policies that can direct obsolete equipment to local dismantlers and refurbishes.

2017/18 Progress:

Assisting with the Integrated Industry Waste Management Plans.

Assisting with training through the Youth Development Group (and SAIEWA) on e-waste.

Printer Cartridge Recyclers

2017/18 Progress:

- A business plan has been developed.
- Fund leveraging for new beneficiation equipment requirements.
- Expanded collection facilities.
- Local Plastics Recyclers and Wash Plant
- Supporting small recycling plant processing plastics (Siyanda Recyclers) and a plastic wash plant facility processing dirty plastic waste (Sbumiester).
- The following progress has been made in the 2017/18 financial year:
- Secured funding for Sbumiester plastic recyclers plant and a new larger location making approximately 2 tons per shift.
- The output has increased from the previous year.

Challenges

Securing additional operational funding required to be able to commit to the many other opportunities still remains a challenge. Self-sustainability options needs to be strategically addressed from other successful project spinoffs. Applications and engagements with various funding sources have been made to source additional operational funding.

These include the Lotto funding, Trade and Investment KZN, the National Department of Trade and Industry and various international green funding agencies and donors.

The glass recycling industry in KZN currently faces collapse due to the lack of local markets. Currently there is only a market in Johannesburg and the cost of transportation has increased the cost of recycled glass to 60% above new materials so the demand is decreasing. The industry does, however, still acknowledge the Extended Producer Responsibility and will continue to support the glass recycling industry.

Fundraising efforts by USE-IT to fully operationalise the Hammersdale Waste Beneficiation Centre by the scheduled end of construction, have not been reached.

Successes and Awards

- KZN Recycling Forum Seminar at Botanic Gardens Conference Centre: 03 October 2017.
- Finalist: AB InBev Award for Circular Economy Governmental Cities and Regions; and
- Finalist in Eco-Logic Awards 2017 (Sustainability week).

Future Focus

- Facilitating further job opportunities and supporting enterprises through the waste beneficiation project development in the eThekweni district.
- Expand Manufacturing sites for commercial partner.
- Identify Project applications for community build projects.
- To acquire additional funding.
- Ensure a smooth operation of the Hammersdale Waste Beneficiation Centre – ensure waste diversion and job creation.



Figure 125: *Hammersdale Waste Beneficiation Construction*





Figure 126: Giba Block Yard (CEB blocks)



Figure 127: Ntshongweni Church Build



Figure 128: *Sbumiester Wash Plant*





Figure 129: Business Process Outsourcing (BPO)

Overview

A strong government support base has facilitated exponential growth within the BPO/contact centre sector. South Africa is ranked 4th among 32 favourable countries/offshore locations for contact centre delivery. Over the period, the domestic market has grown at an average of 10.7% per annum since 2002 while the international

market has grown at an average of 26.4% compared with GDP growth of 2.6%. However, skills, especially entry level and supervisory remain a challenge in the sector.

South Africa has witnessed high growth in the Business Process Services (BPS) industry over the past four years, growing by 22% annually which is twice the global growth rate of the industry and three times faster than India and the Philippines. Many global and regional companies have set up or expanded their operations in South Africa, these companies represent a variety of industry verticals, such as technology and communications, financial services, legal and healthcare.

United Kingdom has been one of the major locations served out of South Africa for many years for customer support, this work is now evolving to include customer experience management from an omni-channel perspective. Other niche functions in the financial services space are also growing in terms of global delivery.

Increasingly, Australia and the United States are also becoming key source geographies for South Africa as more and more companies look for a viable delivery location alternative to the Philippines and India.

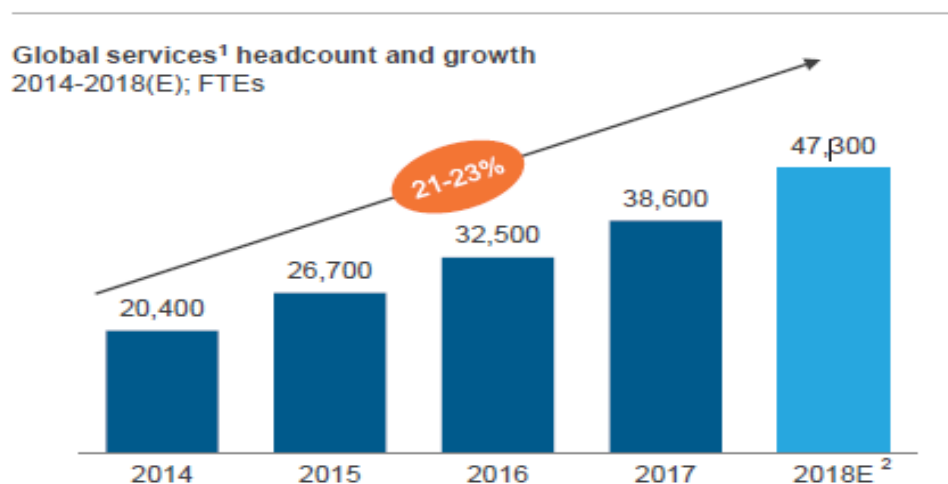


Figure 130: Global Services Headcount and Growth

The domestic BPS market has grown at an average of 10.7% p.a. While the domestic growth market is expected to slow over the next five years, there is a window of opportunity for the international BPS market to grow substantially.

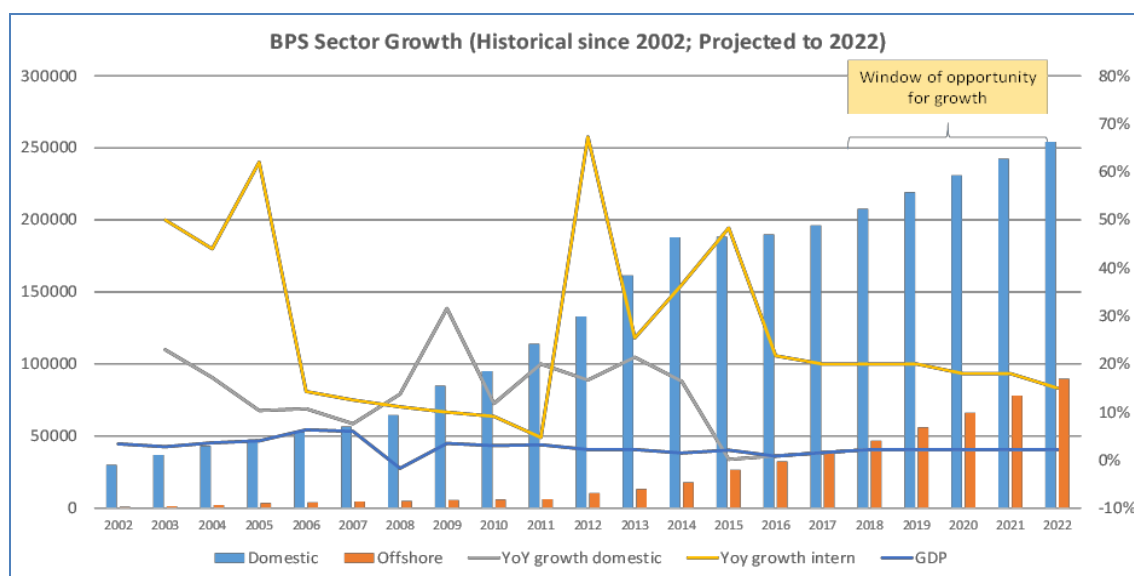


Figure 131: BPS Sector Growth. Sources: Data-monitor, Genesis, BPESA, Paladin, IMF

BPESA KZN has been established as a regional body to focus specifically on providing BPESA services on a regional level and to enable KZN province to provide additional support in promoting KZN as a centre of excellence for Business Process Service. The eThekweni Municipality has signed a memorandum of agreement in October 2016 with BPESA KZN industry association to partner in skills development initiatives over a period of three years. Inadequate supply of skilled youth/ individuals remain a challenge in the sector and this impedes exponential growth in the Durban region. This agreement seeks to train and place young people from previously disadvantaged background in the contact centre environment. During the 2017/2018 financial year there are 60 young people who have been trained and placed on the contact centre job.

Information Communication Technology & Electronics Forum 2017/18

The ICT&E industry stakeholder forum was formed as a recommendation by the ICT&E strategy. The forum has the responsibility to undertake activities to promote and grow the sector in the municipal area. The ICT forum continues to be the voice of ICT development in the region. They shape the direction of development intervention that seeks to grow Durban as an ICT hub.

Information Communication Technology and Electronics (ICT&E) Strategy

SmartXchange

SmartXchange is a technology innovation node and small business incubation centre that is aimed at developing a critical mass of ICT skills and promoting ICT entrepreneurship in the eThekweni region. The partnership the City has with SmartXchange has seen the organisation achieving enormous growth, combined efforts towards enterprise development have made tremendous impact in economy growth, skills development and job creation.

The negative impact of the economic challenges which faced the South African economy during 2017 fiscal year is displayed in the graph below which reflect the job created.

The graph below highlights the performance of the SmartXchange SMME's since its inception. In 2017 a combination of 62 SMME's created a total of 254 jobs.

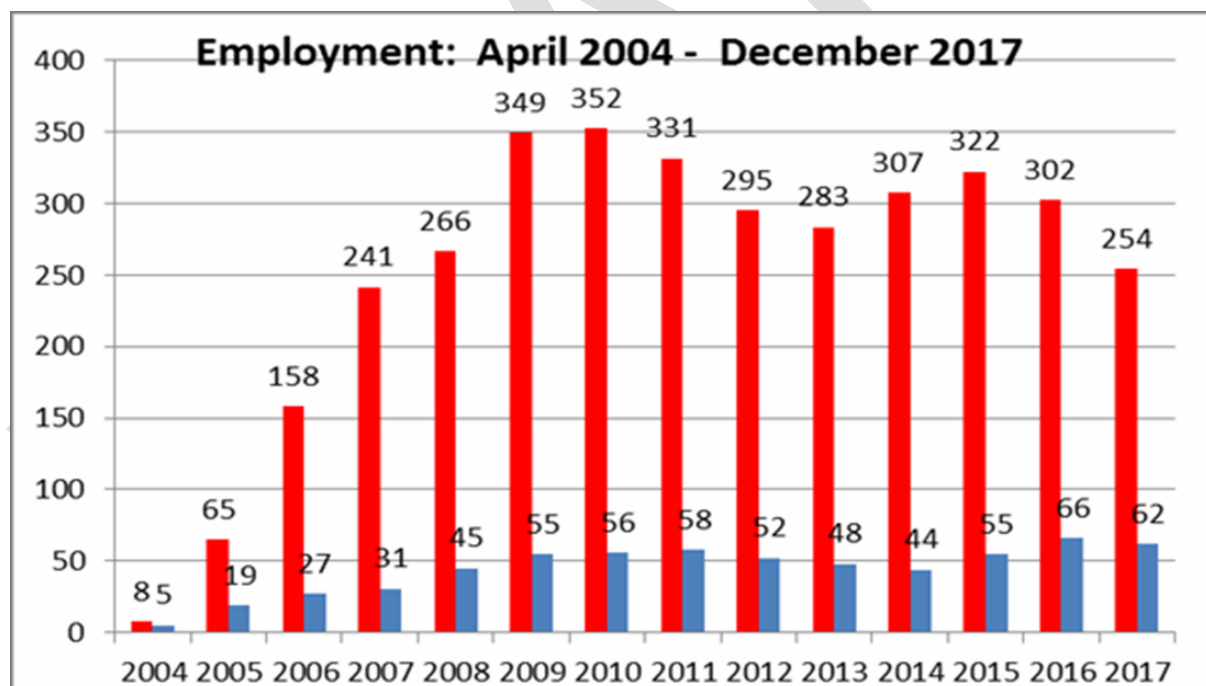


Figure 132: Job Creation

SmartXchange was announced the winner of Standard Bank KZN Top Business Award, in the category of Community and Social Services. The KZN Top Business Award is a

celebration of successful organisations and leaders in KwaZulu Natal across the economic sectors in both the private and public arenas.



Figure 133: Standard Bank and eLan Awards

The incubator also won the 2017 eLan Property Group KZN Top Business Award, under the category, Community and Social Services.

Furniture Programme

Overview

The furniture manufacturing industry currently employs approximately 29 000 people, with 2 200 registered establishments involved in the manufacturing of furniture, bedding and upholstery. The furniture industry is labour-intensive and contributes 0.95% to manufacturing gross domestic product (GDP) and 1.6% to manufacturing employment, giving it the potential to play an important role in economic development and job creation (DTI, 2013). Furniture is one of the most labour-intensive industries and can therefore also serve as a mechanism for the development of small, medium and micro enterprises (SMMEs), particularly as products can be manufactured in rural areas with minimum capital requirements (DTI, 2008).

One of the mechanisms which government has employed to revitalise the furniture manufacturing sector includes the use of public procurement as a strategic instrument to enhance and smooth out certainty of demand over the years; promote competitive industrial capabilities with high employment and growth multipliers; diversify the economy towards more employment-intensive and value-adding activities and ensure value for money for the fiscus and society.

The furniture sector has been selected as a designated sector to benefit from public procurement in the areas of office and school furniture and also base and mattress sets. This initiative should stimulate the growth of the sector and increase its contribution to GDP.

KwaMashu Furniture Incubator Project

The incubator has seen its 2nd full year of operation since its launch in July 2016. The Incubator is under the Furntech Trust and all Operations, Skills Programmes and Incubation, has taken place through the sole funding of Furntech and industry partners.

The Sector Programmes Department has a MOA in place for the monitoring and evaluation of the outputs of the incubator. In respect of this the KwaMashu Furniture Incubator Supported 21 SMME's, 16 residential incubates and 5 Virtual Clients.

The Incubator was responsible for the creation of sixty three (63) Direct Jobs and 16 casual jobs. Of the businesses supported, 90.5% were black owned businesses and 19% female owned.



eThekweni Municipality's procurement programme for radical economic transformation should utilise this municipality supported programme in furniture manufacturing to the City's procurement schedules for market opportunities.

Research for a Furniture Cluster

In 2017, the Sector Programmes Department has initiated a research project that engages with the Furniture Industry to determine the need for the possible development of an industry body to support manufacturers and the value chain.

The aim of a cluster programme would be to strengthen the industry competitiveness, create a platform for business development and linkages, play a role in the development of the sector at a regional level and provide access to technological and skills enhancement. The investigation is still underway.

Fashion Programme

KZN Fashion Council (KZNFC)

The Sector programmes Department provides an on-going strategic direction, funding and programme support for the KZN Fashion Council in order to develop the fashion industry, regarded as a central to the overall sustainability of the Clothing and Textiles industry in the EMA. The aim of the programme is to strengthen the industry competitiveness. The KZNFC has delivered Programmes in Business Skills and Development; Market Access; Networking and Information as well as Incubation.

The Business Skills and Development Programme took 35 Designers through a journey of skills capacitation from concept to range development. District workshops were conducted in 4 regions including eThekweni and 4 Students from eThekweni based design schools were awarded bursaries. All beneficiaries to this Programme were previously disadvantaged individuals. The Networking and Information Sessions programme has developed a database of 973 Designers and 630 Industry members with an impressive social media followers.

The Market Access Programme has successfully taken 20 designers to the Pure London fashion trade platform, as well as 5 designers to the worldwide Las Vegas Magic apparel platform to catalyse business linkages and export opportunities.

INNOVATION: The Africa Fashion Exchange (AFX) Event was launched and is the flagship KZNFC event providing Skills Workshops; Range Design; Africa Sister Cities Linkages; Thought Leadership as well as a local African platform for cutting edge design.

RECOGNITION: 10 Designers from AFX presented their ideas to the Pitch Perfect panel made up of industry judges. 6 designers won the opportunity to stock the designer boutique- THE SPACE and The SPACE Man in Gateway Theatre of Shopping. The designers went through an intensive 6 month incubation programme with IGODA Fashion Incubator before retailing. All of the designers in this programme were previously disadvantaged individuals.



Figure 134: Africa Fashion Exchange (AFX) Event



Figure 135: Foot wear project

Research for a Footwear and Leather Cluster

In 2017, the Sector programmes Department has initiated a research project that engages with the Footwear and Leather Industry to determine the need for the possible development of an industry body to support manufacturers and the value chain. The aim of a cluster programme would be to strengthen the industry competitiveness; create a platform for business development and linkages, play a role in the development of the sector at a regional level; strengthen export efforts and provide access to technological and skills enhancement. The investigation is still underway.

Footwear and Leather Goods Design Workshop

The Sector Programmes Department partnered with SAFLEC (South African Footwear and Leather Export Council) and the Arsutoria Design School in Milan Italy to bring experts in the field of trends and design down for a 1 week workshop to skill local manufacturers.



Figure 136: Leather Goods Design Workshops: Moses Mabida

The Footwear and Leather Industry recognised the Design Workshops and partnership with Arsutoria, Milan as a first within the sector and applauded the project as cutting edge and raising the standard of collections and product as well as raising the ability of the South African manufacturers to compete in international markets.

Clothing and Textiles Programme

Overview

The clothing, textiles, leather and footwear sector, which currently contributes 8% to the manufacturing GDP and 2.9% to the overall GDP, is one of the sectors that suffered the most during the economic meltdown. With various support initiatives offered for reviving the sector, the sector now employs 95 000 workers. It is reported that 2 national and 8 regional clusters have been established to provide a platform for co-operation between industry, Government and retail value chains.

KZN Clothing and Textiles Cluster (KZNCTC)

The Sector Programmes Department established the KZN Clothing and Textiles Cluster (KZNCTC) in 2009. This strategic investment and support for the Clothing & Textiles industry has proved to be the game changer in turning around an industry was regarded as on the brink of collapse. The Programme Manager and the KZNCTC ensures with industry that the needs of the sector are addressed through the programmes.

The Sector Programmes Department's Clothing and Textiles Programme has delivered impressive results in difficult economic period as evidenced below:

KZN CTC Performance improvements (2015 - 2018)

2015 - 2018 KZNCTC performance compared to overall sector performance			
	KZNCTC PERFORMANCE	SECTOR AVERAGE	COMMENTS
SALES GROWTH	16%	9%	Cluster members grew sales 7% more than the sector average
EMPLOYMENT GROWTH	14%	-11%	Cluster members grew employment 25% more than the sector average. This equates to 930 jobs created over the 3 years and 719 jobs retained.
GDP CONTRIBUTION GROWTH	26%	-9%	Cluster members grew their contribution to GDP 35% more than the sector average
* all calculations are adjusted for CPI			

Table 31: Performance Comparison

The Value Chain Alignment initiative sends out 4 regular newsletters every year. This newsletter informs the sector of industry challenges, government policy, and other developments as well as hosts a Buyers Tour of CMT's in order to facilitate small entrants into the retail chains. This has created a platform for engagement between the two parts of the value chain.

The Executive Programme provided training to inform top executives from the member companies on latest business and growth thinking that can make an impact on their way of doing business.

The World Class Manufacturing Programme's Innovation Sessions looked at Pre-Production, specifically focussing on materials and costing. This area of planning is critical for manufacturers to enable their delivering a product to customers on time and in full. The KZNCTC had a successful AGM in April 2018 with the Chairperson Steve Tandy giving his outgoing address and the encouragement of consistent funder Ethekeeni Municipality represented by Councillor Shelembe, of the Economic Development and Planning Committee.

BENCHMARKING STUDY TOUR: of members to Hugo Boss in Turkey in February 2018 was a highlight for the cluster as members were able to see first-hand the ground breaking and leading 4th industrial revolution key focusses in early adoption at a cutting edge firm.

RECOGNITION: A graduate of the KZNCTC's ground-breaking SMME Boost programme graduate ZA Gear (PTY) was nominated for Business Woman of the Year.

Durban Automotive Cluster

Overview

The automotive sector, which contributes 33% to manufacturing GDP and about 6% to the overall GDP produces approximately 600 000 vehicles and supports 113 000 jobs annually. Exports have doubled over the review period, which has also seen R45 billion worth of investment by the majority of the world's leading global vehicle manufacturers. As part of efforts to sustain competitive capabilities in this sector, EDU has partnered with the Durban Automotive Cluster (DAC). The DAC was established in January 2002, with the vision to focus on the promotion of the growth and competitiveness of the KwaZulu-Natal automotive manufacturing sector.

The mission is to establish mutual competitive advantages and help the sector overcome generic challenges. DAC member companies represent over 90% of all automotive manufacturing activity in KZN. The overarching objective of the DAC is to grow the local manufacturing value addition (MVA) by 100% in real terms between 2012 and 2020. The cluster has chosen to focus on MVA growth as this encapsulates the activities throughout the value chain and will enable both employment and private sector investment growth achieving sustainable growth in the long run.

Highlights

Localisation & Growth

The aim of the Localisation and Growth Programme is to provide KwaZulu-Natal automotive industry with access to competitive and reliable infrastructure and materials, as well as access to product and process technology.

At an information sharing session on 3 May 2018, industry partners learnt about the support offered through international programmes based in the Netherlands and Germany. A presentation on the PUM Netherlands programme was given by TIKZN, with the SES Germany programme presented to members by the South Africa SES representative.

Industry-level infrastructure & localisation support

The DAC is facilitating a Thailand study tour in partnership with TIKZN planned for October 2018 with 10 KZN firms being supported to attend.

Project specific localisation support (tier 1, tier 2 and raw materials)

Gijima (EDTEA initiative) provides ongoing support to the TBSA, L&J and Imvusa project is being implemented.

Packaged business plan opportunity - Business plans are currently being developed for two DAC member firms who have identified specific localisation opportunities.

Manufacturing Excellence Progress Report

The manufacturing excellence programme aims to enable improved operational competitiveness of member firms.

Supplier Benchmarking Assessments

The cluster continues to facilitate the deployment of benchmarking support and implementation of recommendations for firm level strategy development to firms enrolled in the programme.

The annual State of the Automotive Industry Report developed from data acquired through the benchmarking process noted the following four recommendations for the industry at large.

- Support future growth performance
- Improved upstream stock management
- Enhanced operational performance monitoring
- Progressing productivity through deeper localisation
- Process benchmarks have been completed for the 10 DAC member firms since the start of 2018.

A three-year review of DAC member firms who have participated in the benchmarking process shows steady growth in member firm engagement in this key activity.

Management Capacity Building and Enterprise Development Support

Firm-level Support - ASCCI projects continue with 18 KZN-based firms, with this programme phase scheduled to be completed in 2018.

Enterprise development support - The DAC is currently engaging the Aluminium Beneficiation Initiative, Hulamin and other DAC members to identify appropriate firms to support.

The database of black owned firms being consolidated and developed by the DAC will be used to identify firms in the region.

IATF 16949 working group - Following IATF training conducted earlier in the year, the DAC is looking at setting up an IATF working group for firms to share challenges and experiences in implementing the IATF system.

Skills Development Progress Report

The aim of the Skills Development Programme is to deploy skills interventions that translate into benefit in the workplace. The people-related aspects of B-BBEE are a key priority that cross-cuts these programmes.

Executive development programme (EDP)

Planning for the 2018 DAC EDP seminar series took place in this quarter and is scheduled to be presented in Q3 of 2018. The series will once again include four workshops on the future of the automotive industry and will be facilitated by Dr Justin Barnes. All learnings which emerge from the EDP will be recorded, these will include the responses required both of firms and the DAC to proactively deal with emergent issues in the automotive and manufacturing industries.

Management development programme (MDP)

All three study schools for the 2018 DAC Management Development Programme have been completed in this quarter. Syndicate groups will now prepare to present their projects to a panel of DAC and USB-ED representatives in the next quarter.

Team Leader Training

The Trace Team Leader learnership, accredited with merSETA at NQF level 3, has been completed. The portfolios of evidence completed by the students throughout the course have been both internally moderated and moderated by the merSETA. The 2017 programme was hosted by Finlam Textiles in Pinetown, with 14 delegates enrolled from 6 DAC member firms. Intake for the 2018 TRACE programme will begin in Q3 of 2018.

Youth Development Programme

Planning of this inaugural programme took place in this quarter and will kick off in quarter 3 of 2018.

Durban Chemical Cluster

Overview

EThekweni Municipality, aligned with national government and the Industrial Policy Action Plan (IPAP), recognises that the chemicals industry is an integral component of industrialised economies and that this sector occupies a strategic position within the economy and operates within a value chain that expands from upstream primary industries to consumer-ready, end-user products. The complexity and diversity of this sector highlights why the development of this industry is a priority to the City. The sector

is a feeder industry that provides input materials into a wealth of other industries and in so doing has far reaching economic and job creation benefits.

The Durban Chemicals Cluster (DCC) is a public-private partnership between the eThekweni Municipality and the chemicals manufacturing industry in Durban and surrounding areas. The DCC was established in 2008 with the primary purpose of developing the competitiveness of the local chemicals manufacturing industry. The objective of the cluster is to increase the sales and value addition (MVA) of the local manufacturing sector by 53% in real terms between 2011 and 2020. The cluster will achieve this by promoting enhanced competitiveness; improved value chain linkages and investment in new chemicals manufacturing enterprises

Highlights

Over the past ten years, the DCC has proven to be a strategic platform to support large and small enterprises operating in the chemicals manufacturing sector. The cluster is a special purpose vehicle through which the City can provide critical interventions to ensure that firms remain globally competitive and the industry develops, transforms and provides increased job opportunities to the people of eThekweni Municipality. The eThekweni Municipality has a longstanding relationship with clusters and most notably with the DCC. The 2017/18 year has been highly productive for the DCC's Investment and Growth Programme and that the programme has had numerous successes to report on in.

The activities of this programme are aimed at facilitating opportunities for expansion and growth, on policy engagement and creating an enabling environment for chemicals sector growth. The DCC hosted the third annual African Chemicals Imbizo (conference and exhibition) on 15 August 2018 at Moses Mabhida Stadium and for the first time included study tours, taking place on 16 August 2018, as part of the event. The study tours took place at H&R South Africa and also the Durban Harbour. The 2017 event comprised of four main elements:

Buyer-supplier linkage meetings: The DCC, through the generous sponsorship of eThekweni Municipality, hosted fourteen trade partners from across Africa for the African Chemicals Imbizo in 2017. This was a 75% increase in the number of trade partners hosted from the previous year. A record 160 buyer-supplier meetings were organised for member firms and also other chemicals manufacturers in Durban and across the country. This increased from the 60 meetings that took place in 2016. The purpose of these

meetings is to connect local and foreign export customers in order to stimulate intra-African trade in chemicals goods.

Conference: The 2017 African Chemicals Imbizo conference had a line-up of prestigious speakers. This included presentations from Shunnon Tulsiram (Head of eThekweni Municipality Economic Development and Investment Promotion Unity), Zamo Gwala (CEO of TIKZN), Ayesha Itzkin (Acting CEO of the Chemical Industries Education and Training Authority), Dr Justin Barnes (Chairman of B&M Analysts), Susan Cassidy (Principle Process Engineer at Engen Refinery), Michael Pottinger (Director at IBIS Consulting), among others.

Exhibition: The exhibition provided industry and stakeholders an opportunity to showcase new products and developments within the chemicals sector. The exhibitor numbers increased from 25 in 2016 to 30 in 2017.

World Class Manufacturing Study Tours: For the first year, the African Chemicals Imbizo 2017 saw host to two study tours which provided participants with practical insight into chemicals manufacturing, the eThekweni Municipality manufacturing economy and other world-class manufacturing priorities for the chemicals sector.

Partners at the event were:



The DCC undertook a range of activities aimed at ensuring the continued development and enhancement of the sector. Key outputs from this activity included:

African Market Export Potential Research: The DCC undertook a research project which analysed African markets in terms of their “export potential” for chemicals products which are manufactured in South Africa and most notably are manufactured within local eThekweni chemicals value chains. This document also sought to identify specific product types, with the greatest export potential in African markets.

Feedback into the Implementation of the South African Chemicals Strategy: DCC members were given the opportunity to provide feedback directly into the national Chemicals Strategy and its implementation. The implementation phase of this strategy is currently being rolled out through the DTI and in association with the Chemical and Allied Industries Association (CAIA)

MARITIME INDUSTRY DEVELOPMENT PROGRAMME

Overview

The eThekweni Maritime Cluster (EMC) is a Not-For-Profit Organization (NPO) established in 2009 as a special purpose vehicle to provide a platform for alignment, collaboration, co-creation and coordination of engagement, linkages and implementation of projects in partnership with maritime industry and its formations, all spheres of government, state-owned enterprises and academic institutions. The EDU&IP implements the Maritime Industry Development Programme in partnership with the maritime industry stakeholders and businesses, institutions of higher learning as well as all spheres of government and agents. This programme in line with the IPAP which have identified maritime transport logistics and ship and boat building/repair as one of the key sectors of the country's economy. It is aligned to Operation Phakisa and implements the following developmental programmes:



Figure 137: Maritime Industry Development Programme

The EDU&IP implements the Maritime Industry Development Programme in partnership with the maritime industry stakeholders and businesses, institutions of higher learning as well as all spheres of government and agents through a Special Purpose vehicle collaborative platform created by eThekweni Maritime Cluster (EMC). This programme in line with the industrial policy framework which have identified maritime transport logistics and ship and boat building/repair as one of the key sectors of the country's economy.

Maritime Industry Development programme is part of the blue oceans economy which looks at how as the city and the country could benefit on the blue oceans economy and support the sector. The following programmes are implemented programmes:



Figure 138: Enterprise and Supplier Development

40 SMME's are part of the programme whereby they are exposed to the opportunities provided by the Transnet Port Terminals. The programme provided them new venture creation, stevedoring introductory training modules.



Figure 139: Training and Skills Development

Training and Skills Development: 25 teachers from 12 local high schools offering maritime subject were capacitated to teach Maritime Economics and Nautical Science. This programme was packaged to assist with understanding maritime training workshops, maritime careers expo as well as maritime career booklet. Mangosuthu University of Technology was assisted with the Curriculum Development in ports and harbours post graduate programme.



Figure 140: Maritime Economics book lunch support

Maritime Careers EXPO: 1000 grade 10, 11 and 12 attended the Maritime Careers Expo high school learners from and were given information on various existing career opportunities in the maritime industry.





Figure 141: Career Expo

Graduate Development Programme: 47 graduates have been placed within maritime industry so far. They were also empowered with work readiness tools.

Youth Development Sailing Regatta as in introduction and exposure to the maritime industry was held in partnership with the EMC, eThekweni Municipality, Sail Africa, Natal Yacht Club. The Regatta was a ground breaking event as it was the first time development sailors from Cape Town, Port Elizabeth/Knysna.

DURBAN GREEN CORRIDORS

Overview

The Durban Green Corridors Programme is implemented by the Green Corridors Non Profit Company. The Programme seeks to rehabilitate and conserve important natural resource areas associated with eThekweni's river catchments and develop their social and economic value through outdoor leisure, ecotourism, youth development, SMME

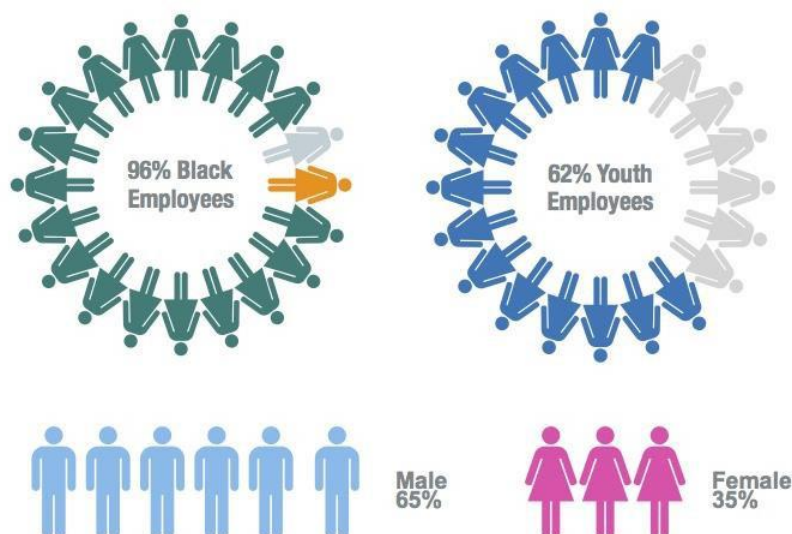
development and job creation. The Programme has been developed throughout the uMngeni River Valley and its uMhlangane River sub-catchment. It is currently being expanded in aMazimtoti, uMgagababa and uMkomaas river catchments along the south coast, building on a combination of coastal and community tourism product development. To the north, it is focusing on the uMhlanga catchment and especially the Cornubia open space system.

The objective is to utilize the natural open spaces of eThekweni to enable economic development and job creation in previously marginalized areas, especially focusing on township and rural community based leisure and tourism product development.

JOB CREATION AND SMME DEVELOPMENT

Job creation

211 people employed for 126.6 FTEs.



SMME development

Over 50 SMMEs are engaged as service providers, mainly in the tourism sub-programme.

Three companies are being supported to operate DGC tourism products, one at Isithumba and two at Mnini.

Sustainable Tourism development sub-programme

Green Hub travel desk

The Green Hub is maturing well as a boutique tourism operator specializing in sustainable community tourism. This is reflected as growth in income generated of 86% with numbers of customers reaching 10 000 for the year. Blue Lagoon continues to offer local eco-tourism activities but is now also offering eThekweni and provincial service as a specialist community eco-tourism travel desk, by compiling, promoting and booking tourism packages and tours with a growing network of local operating businesses.

Sustainable Tourism Network

Durban Bremen Sustainable Tourism Partnership has given rise to this network with community and SMME operators, which is in its second year. This network is facilitating business and product development and marketing in alignment with the UN Sustainable Development goals. A large focus of the program has been the establishment of a Responsible Tourism Network, a network of private sector businesses who sign a code of conduct to support responsible tourism and DGC community products. This effectively brings the formal and informal sector together into a single packages tourism experience which is being marketed locally and internationally.

Community Eco-tourism Route Development:

DGC is working with the relevant CTO's on the development of products and promotion of the following routes several routes including the Inanda route and 1000 Thrills.

Tourism Product development: Catalytic sites

eNanda Adventure Park

This site at Inanda Dam is ready for local business outsourcing as soon as a lease is secured with Water Affairs and water sport access is permitted. The DGC sites are helping to catalyse local development with a growing number of accommodation and leisure attractions in the area.

Isithumba: 1000 Thrills Adventures

This business operation of the site was outsourced to a local tourism operator company, 1000 Thrills Adventures, in December. Their focus since then has been on improving the site for commercial operation. DGC has supported with investment into the facilities, support for staff and business development funding for the initial set up period. It is expected that the business will be self-sufficient from July 2017.

uMnini Dam and village

EDU is supporting TIKZN with a project feasibility study for a functions and accommodation venue business at the dam. DGC is also supporting the establishment of two SMME's providing outdoor adventure and guided tourism products in the area.

KwaDabeka Agri-tourism Park

An integrated agriculture, youth development and tourism facility is currently being developed with some small scale capital works which started in 2018. A crèche, a 3 hectare service permaculture food garden to accommodate 60 grower allotments and a GO Durban bike park has been established. In the preparation stages are a free range piggery and chicken farming as well as a green economy project to process alien plants into raw materials to kick start a number of new manufacturing value chains that will offer new business empowerment opportunities.

Inanda Children's Wilderness (Eco-tourism and early childhood development)

The project commenced in 2016/17 and capital works begun this year to be completed in 2018/19 in time for the 150 anniversary of Inanda Seminary on 1 March 2019. This will provide an additional unique visitor attraction at eNanda as well as piloting creative development programmes with ECD facilities, primary and high schools.

Product Packages

In the past year there has been good progress with the development and promotion of packages. The results are beginning to show in the Green Hub's sales growth for the year.

Dive Durban

An 11 day, customizable dive tourism product package featuring all major locations and operators on the KZN Coast with Durban and the central attraction has been put together and is being marketed, including at the World's largest water sport trade shown, held in January in Germany. This package includes safari, cultural and adventure tourism attractions at Mnini and Ihanda. Discussions are being pursued with European agents to promote the package and destination.

KZN Nature & Culture Package

Through the Bremen Sustainable Tourism Partnership, a 10 day package covering Durban, Drakensberg and Zululand region has been assembled. Discussions are underway with a WHOLESale agent to promote this to agents in Europe.

Golf and other niche tourism packages

Initial discussions have been held concerning a KZN focused golf tour package. As with the others, this will include culture, safari and adventure add-ons and centre around Durban as the gateway and seek to build tourism empowerment of these niche markets.

Hey Durban Events and Entertainment App

The Hey Durban phone App has been developed, offering free listings for entertainment venues and events. The marketing is being discussed to align with Durban Tourism's Discover Durban platforms.

GO Durban Cycle Academy and active mobility sub-programme

In November 2015 the GO Durban Cycle Academy was launched. It is implemented by DGC on behalf of EtheKwini Transport Authority with the aim of building a grassroots culture of cycling as part of the Integrated Rapid Public Transport Network (IRPTN). In the process, it is doing much to promote youth development and a healthy active lifestyle among our people. The Cycling Academy is also facilitating a larger, multi-sport and recreational development after school Programme for children of the ages six to nineteen. This is also linked to tourism economic development.

GO Durban bike parks

Bike parks have been established at Inanda Dam, KwaDabeka and KwaMashu F-Section opposite Bridge City and a new site has recently been established at the Chesterville Sports grounds with a link to a trail running and riding network connecting into Westville and the Roosfontein Nature Reserve. A cycle track will be established at the sports grounds in the next financial year.

These parks are popular with children from ages 5 to 19. Local coaches have been employed and trained to coach the children and supervise a “development through play”, cycling and multi-sport programmes, on weekday afternoons and weekends. The sites host 40 to 120 children daily. There has been a successful effort to involve girls who now represent 32.5% of all participants in the sports programmes. The balance is more even for the younger ages, but girls tends to drop out as they get older.

GO Durban Cycle Academy

The GO Durban Cycle Academy is now the leading cycle development programme in South Africa and is well established at Inanda, KwaMashu and KwaDabeka. It provides the management of the entire DGC active mobility youth development sub-programme, which includes:

The GO!Durban Academy team which now participates in the provincial racing calendar and regularly features on the podiums in their age categories. Three riders in the past year were selected to represent KZN at the national schools competition.

Coaching the local coaches to manage the local bike parks and to provide the daily recreational development programme with the emphasis on getting children to have fun while riding and playing sports

A formal Academy programme that trains 40 selected children per site, including professional riding skills training, fitness and nutritional development, life skills and academic support, with a “no study no ride policy”. There is consistent positive feedback from teachers and parents about the improvement of the children in terms of school performance and attitudes.



Figure 142: Academy Programme

Events

- DGC hosts and supports a number of events of which the main annual events are:
- Kloof and KwaXimba Conservancies Trail run at Isithumba
- SPCA trail run in the lower uMngeni river trails
- Freedom Challenge Mountain bike race from Inanda Dam to Suncoast
- Red Bull Pump Track World Series qualifying event

The KwaDabeka bike park hosted the South African leg of 21 World Series qualifying events for a Red Bull Pump Track World Championship to be held in Switzerland in October 2018. A contingent of 15 GO Durban Academy riders participated in the event. This is a new genre in the sport of cycling, which is recognised by the world cycling body, UCI. Two GO Durban riders will participate in the World Series finals.



Figure 143: DGC / GO Durban trails network

A trail network is now well established through the uMngeni Valley, especially around the Inanda, Isithumba and KwaDabeka sites. The KwaMashu bike park team has also built some trails in the open spaces of their area. A new trail has been completed between Westville and Chesterville and an extension is underway in the Roosfontein Nature Reserve, linked to the bike programme at the Chesterville Sports Grounds.

Green Spaces and circular economy sub-programme

The Green spaces sub-programme has grown substantially over the past year and though not as resourced as the tourism and youth development programmes is poised to become more correctly positioned as the core sub-programme of Durban's green corridors.

KwaMashu Bridge City Green Spaces Project

DGC provides operational and community participation support to GO Durban's environmental offset investment which is focused on the rehabilitation and socio-economic transformation of the open spaces in the Bridge City/KwaMashu town centre precinct. The projects include:

Planning for the integrated redevelopment of the area.

Bhejane stream rehabilitation and pocket park. An R8 million budget has been assigned and implementation planning is underway through City Architects, while DGC has facilitated a community based planning approach and manages an environmental teams doing ongoing rehabilitation.

Piesang Valley Wetland Park, while the EIA and planning is underway DGC has a team doing alien control.

KwaMashu Youth Lifestyle Centre incorporating a SA Football Association Safe hub and GO Durban bike park. National Treasury approval for a R20 million development is at final approval stages and the GO Durban budget allocation to DGC will facilitate an upgrade of the bike park and youth programmes.

KwaMashu Stream Agroecology project is in the planning phase, KwaMashu NMT strategy and cycle lane development. Substantial progress has been made in community based planning for safe walking and cycling routes through the area that activate the open spaces. The main element has been the planning for an active mobility corridor between Bridge City and the town Centre.

Durban Partnership Against Plastics Pollution: plastics circular economy

A partnership of eThekweni departments, private sector and NGO's has been developing over the past year, as well as advocacy work and initiation of a number of funding applications, as a result of which:

A set of four floating litter booms are being maintained to pull plastic out of the UMhlangane River and uMngeni Estuary with private funding. Publicity from this has led to a boom being installed on the Ohlanguya Lagoon that is cleaned by private sector.

Coca-Cola is funding another boom on the uMngeni and a recycling facility

A three year expansion programme for the INK/uMngeni catchment including awareness and plastic collections at school valued at R725, 000 per year is anticipated to be funded by a corporate foundation.

A similar application has been prepared for local corporates to cover the uMbilu/uMhlatuzana Rivers and the storm water outfalls into Durban Bay.

This model will also be replicated for the Isiphingo River / Prospection area in the New Year.



Figure 144: Sihlanzimvelo Stream Clean Project

These projects will complement the Municipalities investment in the Sihlanzimvelo stream clean project in the northern and southern townships.

A partnership will be facilitated with the Use-IT waste materials recovery cluster whereby DGC will collect plastics from the Sihlanzimvelo teams for recycling. The dirty and non-recyclable plastics that currently are going into the landfill will be converted into diesel through a facility to be funded by the Roads and Storm water Department. There will also be an awareness and plastic collections programme at schools to increase recycling and reducing the amount of plastic littering.



Figure 145: Use-It Waste Material

Plant Based Raw materials manufacture and circular economy value chain

DGC has entered into a joint venture with a Dutch circular economy innovation company, PRM International to harvest and convert alien weeds from dams, rivers and open spaces and convert these into three categories of industrial organic raw materials; proteins for animal feed, minerals and nutrients for fertilizer and fibre for paper, packaging and building materials.

A study will be completed at the end of June 2018 to demonstrate the business case and benefits for Durban, of a value chain from the harvesting the green waste, manufacturing the raw materials at a facility to be established at the KwaDabeka Agri-tourism site and the development of further downstream product manufacturing partnerships that can leverage new industrial empowerment opportunities.

PRM International will invest technical know-how and finance. A number of large value funding applications have been submitted to source DGC's matching investments. This project is seen as an important step towards DGC developing a self-sustaining social enterprise business model. A further report on this project will be submitted to ECOD in August 2018.

Industrial Sector Support Desk

Overview

Industrial sectors are key drivers of economic development and growth in the eThekweni Municipality Area (EMA). As a response to the need identified to broaden sector support, the EDU has established an Industrial Sector Support Desk (ISSD) as a pivotal instrument to facilitate the industrial sector development within the EMA. Industrial Sector Support Desk operates in tandem with and in complementary to the already existing sector development programmes. The ISSD is mandated to provide support to established, local manufacturing firms with the goal of promoting business retention, expansion and competitiveness improvement.

Achievements

- The ISSD boasts the following achievements:-
- Completion of the Sector Support Programmes marketing and communication plan.
- Industrial Database was developed through engagements with local firms.
- Advisory services and support was provided to a number of local firms that enquired on various government incentives to support industrial development.
- E-Connect Platform Development
- The business case for E-Connect was developed and adopted by IS. The E-connect is an IT-based platform to benefit the local industrial sectors in EMA. The platform would provide the following:-
- Create a platform for eThekweni municipality to share timely information, opportunities and notices to local firms such as information on electricity, water and roadworks maintenance, grants and incentives and workshops and funding seminars).
- Serve as a query management facility for the ISSD to advise local companies.
- Vehicle for local firms to interact with each other on issues relating to localisation and sales opportunities.
- ISSD would also be able to create a database of these companies and will be able to identify companies to include in its initiatives.

Partnership for Youth Job Opportunities

EOH, an organisation which equip young people with skills that set them on a pathway to future career opportunities by using the Youth Job Creation Initiative, was approached and agreed to work with eThekweni companies with assistance to signing them up in their programme for youth employment.

The ISSD and Harambee, a Not-for-Profit social enterprise which is a Youth Employment Accelerator, worked on sharing of information based on opportunities available between them for circulation to the Sector Programs

Challenges and mitigations

Effective industrial policy requires co-ordination and alignment within and between economic agents of the State. An assessment of eThekweni indicates challenges in this regard. Within the metro, industrial policy levers are fragmented across the economic cluster, including infrastructure and land-use planning.

Evidence suggests that co-ordination between the municipality and the province could also be improved.

The relationship between municipalities and national government around economic policy development and implementation also appears to be unsystematic. The main structure for co-ordination is supposed to be the Economic Development MinMEC, which is convened jointly by the Ministers of Economic Development and Trade and Industry. In practice, however, the MinMEC has met only infrequently and does not have a well-defined agenda.

The most robust alignment between metros and national government appears to take place with the National Treasury, which has platforms and funding dedicated to municipalities. For example, the National Treasury allocates resources to the City Support Programme and the Neighbourhood Development Partnership Grant. In addition, budget allocation proposals that involve a change to the division of revenue amongst other spheres must be discussed in Budget Council and Budget Forum meetings prior to Cabinet approval.

A particular challenge is that IPAP currently has no spatial dimension and is developed independently of other spheres. eThekweni Municipality has bilateral relationships

between various clusters and the DTI but they are mostly unofficial. Engagement with the SEZ and Economic Transformation Division of the DTI occurs mostly with provinces.

Co-ordination between national and provincial plans and agencies would enable eThekweni:

- To leverage additional resources
- To promote alignment of infrastructure and other services
- To secure policy supports, e.g. trade measures, for local producers

Another challenge is the aligning of spatial planning and economic planning. The main municipal instruments planning are the IDP and the Spatial Development Plan (SDP), which are provided for by the Municipal Systems Act and the Spatial Planning and Land Use Management Act (SPLUMA). However, as discussed above, the IDP tends to focus on social service delivery and the spatial focus of the SDP biases it towards land use – which includes zoning, corridors, etc. Industrial policy, however, aims to diversify the economy with infrastructure provision being just one lever and not the main objective in itself.

As in most municipalities, the current system in eThekweni means that infrastructure decisions are made primarily to achieve desired spatial development and service delivery to households, rather than to support key economic projects or industries. The institutional silos within the municipality, with development planning being separate from economic development, tend to exacerbate this challenge.

There are some hindrances to local procurement that is, leveraging local procurement for industrialisation.

First, state agencies typically do not have capacity to identify and support local suppliers. Secondly, the current procurement regulations make it difficult to work with potential suppliers, for instance, to refine specifications or to enable local suppliers to match bids from importers. The municipality needs to develop systemic changes that make it easier for supply chain managers to buy local while upgrading the capacity of local suppliers.

The World Bank's Cost of Doing Business survey found that eThekweni is around average compared to other South African metros.

Nonetheless, businesspeople and even government agencies have found that it can take unnecessary time to obtain infrastructure, permits and licences. Sometimes the problem arises with outside agencies, as with environmental impact assessments and the transfer of agricultural land.

For any effective economic policy, the state must ensure affordable and appropriate infrastructure, sufficient investment in human capital, support for the rule of law and cost-effective regulations. Clearly, these measures require considerable co-operation across the functions and spheres of government. Ideally, government should be able to synergise the diverse measures to support industrialisation to maximise their impact. This requires a more capacitated and co-ordinated state which the Industry Sector Development Programmes Department (ISDPD) clearly lacks.

In summary, the conditions for an effective industrial policy are: relatively well managed, capacitated and well-resourced government, alignment and co-ordination of state instruments, skills and education for industrialisation and innovation and technology. From this standpoint, there is a need for ISDPD to develop capacity and an instrument to integrate industrial policy approaches more systematically into local economic planning. The capacity and the instrument will enable the department to set key performance indicators (KPIs) for EMA around industrial policy, identify programmes that require co-ordination across the municipality, establish priorities for industrialisation when engaging with national and provincial departments and with state-owned companies (SOCs), and lay the basis for co-ordination and resourcing of a more effective and holistic LED and industrial policy.

These are the gaps that need to be addressed in terms of how ISDPD and EMA plans and implement its industrial policy.

2017/18 Future Focus

The Economic Sector Development Programmes Department undertook a Strategic Planning exercise in April 2017, to identify new potential programmes and transversal work streams.

The Strategic Planning Framework also identified the need for the Economic Sector Development Programmes Department to provide robust support in the following transversal areas:

Localisation;

Africa-orientation (Export Promotion and Development); and Inclusive Industrial Growth and Development. The department is going to strive to bolster its capacity and be positioned as a leading authority on matters relating to the industrial sector within eThekweni municipal area. It will also continue to build and leverage partnerships with private and public sector stakeholders to be able to execute its mandate.

3.10 DISASTER MANAGEMENT & EMERGENCY CONTROL UNIT

The Disaster Management and Emergency Control Unit was established as a new unit in January 2011 and provides, across the entire municipal area on a 24/7 basis, emergency services in terms of call taking and dispatching for all emergency situations for Fire, Metro Police, CCTV crime surveillance and traffic monitoring as well as disaster management operations and programs and risk assessment and reduction programs.

The Unit also provides support for the business plans of various municipal departments by providing strategic guidance, planning, executing and carrying responsibility for quality management pertaining to projects in terms of project outputs, scope, time, quality and cost with reference to implementing technologies to move the municipality to a stable and improved networking, electronic and communications infrastructure catering for the upliftment of citizens.

2017/18 KEY PRIORITY PROGRAMME/PROJECTS**Municipal adaptation planning technical task team**

Under the leadership of the Environmental Protection and Climate Change Department (EPCPD), significant progress has been made towards determining how climate change projections would affect communities and individuals within the eThekweni Municipality. It is clear from this work that the impact of existing climate variability and likely future climatic changes will be cross-sectorial and necessitate adaption planning by the majority of municipal departments.

Because of the strong alignment and synergies between climate change adaption and disaster risk reduction agendas [for both rapid and slow onset disasters] it was concluded

that the coordination of these efforts by EPCPD and the Disaster Management Unit, would best reside within the ambit of the Durban Climate Change Technical Task Team which is chaired by the Executive Mayor of EtheKwini Municipality. The Technical Task Team is attended by senior officials of the city and has been well received across different stakeholders. Although the Technical Task team is still gradually finding its feet but to date it has managed to engage with relevant stakeholders within the different disciplines such as Private sector, Public sector and even Academia's for on-going research contribution to Climate Change.

South Durban Basin (SDB) “off-site” plan technical task team

The South Durban Basin contains bulk chemical facilities, pipelines, oil refineries and a high volume of road / rail transportation of hazardous freight. Several major hazard industries [MHI] are located in the basin, and some of these industrial complexes are registered as National Key Points. The industries and surrounding residential communities exist in close proximity to each other, and an emergency incident occurring inside a premises, could have consequences which may spread off-site. The industries each have an 'On-Site Emergency Plan' which includes internal response capability and the roles and responsibilities of municipal and other government and private agencies. If an event takes place on the premises of an Industrial complex, and the effects are felt outside the premises, the situation thus generated is termed an 'off-site emergency'. The off site plan is regarded as an extension of the on-site plan and both of these plans require input and actions from a network of agencies.

It is a legal requirement for the Local Authority to develop an off- site plan for every Major Hazard Installation. An incident investigation by the Department of Labour or even a public enquiry would follow a serious incident and legal compliance will be assessed. Such an enquiry audit will start at executive management level and will check if management processes and plans were in place to deal with a major event which has off-site consequences. The South Durban Basin is a contested landscape, and has a long history of protest conflict. One of the areas of conflict has been the communities demand for the City to provide an Emergency Plan which meets the conditions of their expectation and demand.

During the year 2011, an interim Off Site Emergency Plan was developed by Disaster Management and Fire and Emergency Services Units. This interim [generic for all MHI

sites] Plan was approved by the DCMs Forum, however it was recognized that other Council Units that would play a critical role in plan and implementation, had not actively participated in the development of the plan. It must be noted that this was a generic plan, whereas the MHI Legislation prescribes that the local authority develop a site specific plan for each individual MHI.

The Head of Fire & Emergency Services together with Head of Disaster Management have managed to involve the critical departments that need to play a significant role in the implementation of the Off-Site emergency plan as per the MHI regulation.

Consultations with the key department was undertaken in the 2017 -2018 financial year and report was to be tabled at the Executive Committee between the 2018- 2019 financial year for further support and implementation to develop tailor made off-site plan per MHI within the Ethekwini Municipality.

Disaster Management Level 2 Plan

The Corporate Disaster Management Plan has been replaced by the Disaster Management Level 2 Plan which was approved by the Executive Committee for implementation. The Plan is reviewed annually. The purpose of the Plan is to outline policy and procedures for both the pro-active disaster prevention and the reactive disaster response and recovery phases of the disaster management continuum. It focuses on facilitating multi-agency and multi-jurisdictional coordination, with emphasis on emerging crisis or novel events. The Plan provides the broad framework within which the disaster management planning requirements of the Act will be implemented by various departments of Council. It establishes the directives for risk reduction initiatives and the strategic incident management protocols in the event of a disaster occurring or threatening to occur.

Volunteer Programme

Ward-based Disaster Management components have been established in 45 percent of the 103 Wards in the Municipality. Volunteers are trained in disciplines such as First Aid, Home-based care, trauma counselling and fire fighting. The programme assists in risk awareness, public education, skills development, emergency response and community-spirit upliftment.

In compliance with the Disaster Management Regulations for Volunteers, 300 persons have been medically processed and signed up as formal Disaster Management volunteers. Sixty of those have attended a fire training course and can be deployed in support of the Brigade if so required. The skills-training afforded to these volunteers facilitates their deployment at events or incidents under the umbrella of Disaster Management and related disciplines.

EMACC Projects

The EMACC SDBIP project refers to the education of vulnerable communities on the use of the City's emergency contact number and access to the emergency services. This was achieved through the various awareness campaigns held in different wards in the 2017/2018 financial period.

The unit has also embarked on a R34 Million Call Manager project to improve the access to Emergency Services Call Centre on a 24/7 emergency line (031 361 0000. The Call Manager capabilities is to be able to eliminate drop calls during busy operations, voice recording of all calls and radio communication and to be able host other call centres within the same under this Platform. This one of the first flagship projects in the Emergency Call Centre after the 2010 World Cup.

CLOSED CIRCUIT TELEVISION PROJECTS

Decentralisation has been realised in the past year with control rooms being opened and operational at the Beach Front and Pinetown and Verulam respectively. The Beach Front Control Room is situated at the Boscombe Terrace and the Pinetown Control Room is situated at the Pinetown Fire Station. This has allowed CCTV monitoring to be done closer to the areas and address problems related to a particular area effectively. CCTV control room located in Verulam has been fully commissioned and operational, this control room is responsible for all operations within the North Region of the Ethekwini Municipality.

❖ Partnerships

The department has also formed partnership through SANRAL for effective (RIMS) Road Incident Management System. The MOU was drafted to obtain continues effective communication on any operations, accidents and irregular events taking place on our National roads namely N2 & N3. This would assist the Emergency Services cluster

namely operations that affect Fire services and Metro Police for their response, this MOU will eliminate duplication of resources when attending to incident on the national roads through the SANRAL Control room and the department control rooms on a 24/7 basis including CCTV feed from and to SANRAL control rooms.

❖ **CCTV Projects completed:**

These are list of few projects that have been completed through the financial year:

- Moses Mabhida stadium
- Gleblands Phase 2

❖ **Verulam Control Room (North Control Room)**

- The implementation of the North control room creates the necessary facility to control the north regions of the municipality. In the advent of any natural disasters or emergencies, the following functions could also be carried out for the entire municipality:
- Full CCTV control room that controls the entire CCTV network.
- Full EMACC facilities
- Disaster management facilities
- DOC facilities
- Full boardroom for caucus meetings

All the above facilities are kitted out with radio communications, visual media and IP telephones.

❖ **License Plate Recognition Control Room**

The City has embarked on a project to assist in the fight against crime by using technology to help all security role players to better track suspicious vehicles in the city and neighborhoods.

❖ **Phase 2**

The initial phase includes X License plate recognition cameras that are activated to provide the following:

- Entrance of suspicious vehicles flagged by SAPS
- Monitoring of suspicious vehicles in the city
- Tracking of stolen vehicles with information being sent to SAPS or metro via SMS or email LIVE.
- Assistance to key official departments to prosecute warrants for whatever the crime. eg: Traffic warrants, stolen vehicles, incorrect plates

CHALLENGES AND MITIGATIONS

- Staff levels across the unit are still a challenge as a result overtime expenditure in the Units remains a nightmare. The Emergency Control Centre works according to an SOP that determines how many warm bodies must be present per shift in order to receive effective CCTV monitoring and call taking and dispatch on a 24/7 basis. Whereas with Disaster Management section the deals with on-going programs, events management and also stand-by duties in the event of an incident that requires the unit's intervention and co –ordination with other units.
- Disaster Management mandates to be effectively delivered by the units and the municipality as a whole requires participation by all other units to comply with the Disaster Management Act 57 of 2003.
- Integration of all CCTV systems onto one platform has been a challenge as entities and some Municipal department have gone out on their own to procure and implement CCTV operations thus resulting in the municipality not being able to integrate their systems and to carefully plan for a Safe City Concept due to silo mentality implementation.

3.11 FIRE AND EMERGENCY SERVICES

Fire prevention remains a priority for the Unit, which is addressed through a range of programmes and activities including plans and building inspections as well as community awareness and education.

These services are provided across the entire area of jurisdiction, ranging from well-developed central business districts, industrial areas (including two of the country's

largest petroleum refineries), the country's largest petrochemical storage facility, the continent's busiest port, a network of roads vital to the national economy, as well as formal and informal residences. The total staff compliment is 659 with a total of 546 operational Fire Fighters serving a 3 638 918 population. The Unit performs a range of services aimed at reducing loss of life, injury, minimizing the adverse economic and social consequences resulting from fires and other hazards. The fire service is delivered from 21 fire stations and one training centre where fire fighters' technical skills are enhanced to maintain a professional fire service.

2017/18 KEY PRIORITY PROGRAMME/PROJECTS

Implementation of a 12-month recruitment and training programme against SAQA 57803 (includes 7 months experiential training on shift with operational personnel)



Figure 146: Fire fighter training



Figure 147: Fire fighters vehicles

CHALLENGES AND MITIGATIONS

Staff shortages within the Training Branches, four seconders from the Operations Branches were trained and certified as competent against NFPA 1041 Fire Instructors 1 to provide additional capacity to meet training requirements. Continuous engagement is required with relevant stakeholders to address non-compliance with fire safety regulations in high risk occupancies e.g. medical facilities, student accommodation and shopping centers. There's a rapid increase in demand for student accommodation which has seen a corresponding increase in non-compliance and illegal conversions. Facilities are identified by the Fire Safety Branch and addressed on an on-going basis to ensure that compliance is achieved.

SUCCESSSES AND AWARDS RECEIVED

QCTO/LGSETA re-accreditation of the Illovo Fire Training Centre as a registered training provider against the national program

Future Focus - 2018/2019

Increase the percentage of population served in accordance with SANS 10090 through the development of Verulam Fire Station (impacting Wards 58, 59, 60, 61 and 106 as well as providing back-up cover to neighboring fire stations)

Training Branch currently accredited for two of three tiers of the NFPA 472 Hazardous Materials programme namely; Hazmat Awareness and Hazmat Operations. Accreditation to be sought through SAESI-IFSAC for Hazmat Technician.

Fire Safety Branch to continue to seek compliance with fire safety regulations through scheduled periodic inspections of high risk occupancies to prevent occupants being exposed to unsafe environments, thereby reducing the risk of loss of life and property. This process includes the identification of new premises and enlisting them in the Emergency Services System [ESS] database.

3.12 PARKS, RECREATION AND CULTURE

OUR MANDATE

As a city, our most crucial resource is our **people**, their ideas, talents, lived experiences and heritages.



The Unit is made up of fourteen Divisions, all of whose mandates fall within the ambit of Plan 6 of the City's IDP. The Goal is to achieve "A City where people interact creatively to stimulate economic growth, learning, sustainability, social cohesion and unity in diversity." and to deliver an integrated Environmental, Cultural, Heritage and Leisure services within the Municipality to enhance the quality of life for all citizens.

The Unit is commitment at providing optimal Arts, Culture, Leisure, Educational and Developmental services delivery in eThekweni Municipality which enhance the quality of

life, health and well-being of our people, our communities, our environment and our economy.

Invest in productive development in the cultural and creative industries in order to foster the production of creative work and to ensure artistic quality.

The objectives of the Unit are as follows:

- a) A commitment to provide optimal Arts, Culture, Leisure, Educational and Developmental services delivery in eThekweni Municipality which enhance the quality of life, health and well-being of our people, our communities, our environment and our economy.
- b) Invest in productive development in the cultural and creative industries in order to foster the production of creative work and to ensure artistic quality.
- c) To provide pioneering and empowering heritage, sporting and recreational destinations in order to mobilise for reconciliation and nation building.
- d) To provide well managed public parks, urban nature reserves, open spaces, leisure and cemetery facilities to be used and enjoyed by the citizens and visitors.



Figure 148: Botanic Gardens –Flower bed



Figure 149: Ladysmith Black Mambazo performing at Botanic Gardens

2017/18 KEY PRIORITY PROGRAMMES/PROJECTS

The Parks, Recreation & Culture Unit contribute R87 million towards Grant in Aid to the performing Arts throughout the City by way of Funding to supporting the creative arts in the city in an on-going programme.

The Unit secured an amount of R66 million to roll-out 100 Community Parks to most Wards throughout the City with the aim of providing playground equipment and Outdoor Gyms towards wherein areas of illegal dumping and areas of need had been identified, with the Community 's buy-in.



Figure 150: Recreation Facility

Section 32 Report was approved in June 2017, for implementation in 2017/18 financial year. The programme for the roll-out of the Playground Parks began in District 1. Over the year under review, **14 Outdoor Gyms** have been installed.

SITES READY FOR IMPLEMENTATION								
DATE OF DISPATCH	Time of collection/Installation	DISTRICT	SITE	SUBURB	WARD	SUB CONTRACTOR	CELL DETAILS	LINE MANAGER RESPONSIBLE
WED 18/10/2017	8:30 - 10:00	DISTRICT 3	Thendele Road	Ntuzuma E	38	Landamxo PTY LTD	G Mhlongo 072 598 3330	Jay Chetty
Wed 18/10/2017	10:00- 12:00	DISTRICT 3	Jamaica	Ntuzuma E	43	Landamxo PTY LTD	G Mhlongo 072 598 3330	Jay Chetty
Wed 18/10/2017	12:00- 14:00	District 9	Aniseed Open Space , 33 Aniseed Road	Desai	13	Imbali Ekhakarile	Cloete Reginald 073 272 9961	Ernest Mtolo
Thursday 19/10/2017	8:30-10:00	District 3	Sjula Road	Kwamashu L	45	Sodehwa Trading	J Khuboni 084 486 1369	Jay Chetty
Thursday 19/10/2017	10:00 - 12:00	District 3	Emakabishini	Kwamashu E	40	Landamxo PTY LTD	Manane Xulu 082 496 5903	Jay Chetty
Thursday 19/10/2017	12:00 - 14:00	District 3	Ijuba Alley	Ijuba Alley	110	Afro Touch Creation	Peter Graham 082 881 0082	Suren Naidoo
Friday 20/10/2017	8:30-10:00	District 4	Sankonahle	Mpumalanga	5	Kooz4r6m2	Sibu Dlamini 073 30 0074	Mike Haslins
Friday 20/10/2017	10:00- 12:00	District 4	Salem Sportsfield	Shongweni	7	LeNdali PTY LTD	Jabulani Phewa 082 640 7075	Mike Haslins

This project commenced in October 2017 - right up to the end of the financial year, with 98 being completed, and the remaining 2 being prepared for installation. The department is busy securing the completion certificates after the final inspections have been conducted and certificates of safety and erection completion documents are signed over to the Parks department.

This year's annual Victoria Mxenge Lecture was incorporated into the unveiling of Griffiths and Victoria Mxenge's statues at Umlazi. The program was a brainchild of the PREMIER'S office and became a collaboration between Premier's Office and eThekweni Municipality. It was a 3-day program starting with a service at the Mxenge Residence on the first day. On the second day the annual VM Lecture was held at Josiah Dlamini Hall at Umlazi. Then on the third day it was the unveiling of the statues at Umlazi and a formal program at MUT hall.



Figure 151: Statue unveiling at Umlazi

The Parks, Leisure & Cemeteries Department competed in the National City Arbor Award competition and is awaiting the outcomes and where it has been placed within the Country.

This National Competition assesses the projects and programmes the City is undertaking to ensure that the City is greened and its contribution to the greenest Municipality in the Country. It needs to be recorded that eThekweni has been deemed, to be the 12th most tree-ed City in the World by an International poll.

The Parks, Recreation & Culture Unit have engaged and are paying a stipend to some 40 Students in the Cato Manor Area, wherein the Students have been trained and co-educate the Community to clean-up parks and sports fields by pruning and lifting trees, edging pathways and removing rubble which is dumped in the location. The Cato Manor team has been busy with cleaning up the roadside and keeping their suburb clean. This is proving very successful in soliciting and teaching Civic Pride. The play-lots have been painted and repairs undertaken in Bonela, Uphill Park, Thanda, Neptune, Adelphi, Saintfield Town Park, Show Gardens, Stafford and Sizaville.



Figure 152: Playlots

The Museum hosted an International Symposium of Electronic Art (ISEA) which contributed towards inclusive and accessible introduction and promotion of various facets of electronic art to the broader artistic fraternity, as well as the man on the street. It is hoped that all the cultural experiences that were generated by ISEA will serve as stimuli for future collaborative programmes aimed at seriously entrenching the culture of multi-sensory arts within this city.

The capital project for the Waterloo Sportsfield was completed and handed over to the Community in September 2017. Likewise, the Durban North Japanese gardens has been upgraded with a Wedding Gazebo being erected with paved parking and ablutions. The basic structure was completed in April 2018, with the parking commencing in the new financial year.

Phase 3 of the master Plan for the Bulwer Park was completed, being that of a restaurant being completed with public Ablutions. Real Estate is busy dealing with the process of engaging interested parties to lease the building.

The Bayview Community hall was also totally rehabilitated and re-opened to the Community after being closed for more than 2 years.

The Mitchell Park Zoo received a donation of an Education & Environmental Learning Centre sponsored by the Sivananda World Peace Foundation named after His Majesty, King Goodwill Zwelitini.

After 24 years of democracy, there are still traces of abuse of human rights within our Society, either by members of Civil Societies or elements within the rule of law; the Human Rights which our patriots fought and dies for. It is for this reason that the Libraries & Heritage Department hosted the Annual Human Rights Day Seminar on the 17th march 2018 at Mountview Hall in Verulam, to empower the Ogunjini Community (Ward 59), and educate them about the injustices of the past so that abuses such as what happened in Sharpville never recurs.



Figure 153: Annual Human Rights Seminar

CHALLENGES AND MITIGATIONS

- The Unit is facing major challenges with regards to the Unit Structure requiring urgent re-alignment as a result of the Council decision to make 5 of the current Stadia falling within the PRC Unit areas of responsibility, to now report to that of the Ring-fenced Stadia Unit.
- The Unit too is facing challenges with regards to an ageing Infrastructure (building life cycles) which require huge capital investment so as to ensure the existing assets do not deteriorate beyond financial rehabilitative economic value.

- With the urgency to meet the Citizen's need for new facilities, a situation has arisen, requiring urgent address by means of a City -wide policy on engage with Intergovernmental Agencies - like the Ingonyama Trust; Department of Education and Tribal Courts to ensure effect service delivery in the future.
- The Libraries & Heritage Department, as well as that of the Museums, is still deemed an unfunded Mandate by the province. As such, the City has to bear the majority of the costs for these essential services.
- Likewise, the Council has taken the decision for Agriculture, which fell under the auspices of the Natural Resources Division, to also be a stand-alone Unit. Finally, with the outsourced Umgeni Birdpark too having been decreed to be absorbed into the PRC organogram, there is an urgent need to relook and restructure the PLC Department to ensure effective service delivery and redistribution of Human Resources as well as Infrastructure and Equipment resources are addressed for effective service delivery to be implemented in the upcoming financial year(s).
- Likewise, as the Unit sits with unique Assets (live animals in our Nature Reserves and valuable specimens in the Museums); Heritage assets in the form or unique and valuable Artworks, Statues as well as National Champion Flora and Fuana, which have both material as well as historic value. The Unit is in the process of engaging on an Audit to ensure that the City's invaluable Collections are recorded and ensured for future Prosperity.

The Provincial Government Agency needs to be engaged on trying to either support these functions through directing budget to the eThekweni Coffers, or seeking to amend legislation and Policy in this regard.

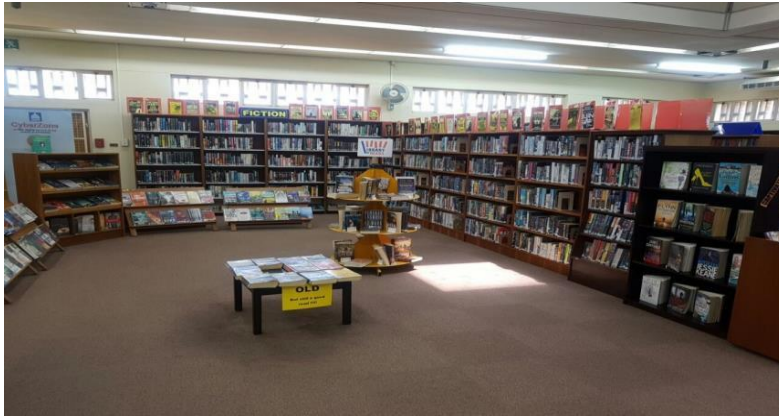


Figure 154: Library Facility

SUCSESSES AND AWARDS

- Durban was approved by UNESCO as being the 22nd City of Literature on 31st October 2017, and is also the first African City to be honoured with this status. The UNESCO designation "City of Literature" recognises excellence, and placed an obligation on Cities to nurture and support their art forms and collaborate internationally by : sharing best practice; supporting freedom of speech; and through projects
- The projects that were mentioned in the bid application/documentation, will be used as the first year's programmes. The Department is currently funding Time of the Writer by the University of KwaZulu-Natal, Centre for Creative Arts which is the International programme, and the Articulate Africa- Book Fair which is run by the City.
- The Gospel Icon Discovery programme is an open platform and opportunity for the youth of EThekwin to develop their musical skills and to prosper as professional recording artists. Youth empowerment has many benefits for society and is therefore imperative. These benefits include the transfer of skills and work ethics as well as facilitating nation building and personal development. The auditions took place in all Zones within iTheku from the 03 June 2017 to the 20 August 2017 and the Finale was held at Ohlange Sports Stadium in Inanda on the 17 September 2017.



Figure 155: Gospel Icon Winner

- There's a global movement to encourage cities to grow more trees and plan more Parks. This year's International Day of Forests, 2018 encourages urban areas to invest in green spaces of the top Cities in the World with the most trees, Durban retest 7th highest in the World, ahead of Johannesburg and Cape Town.

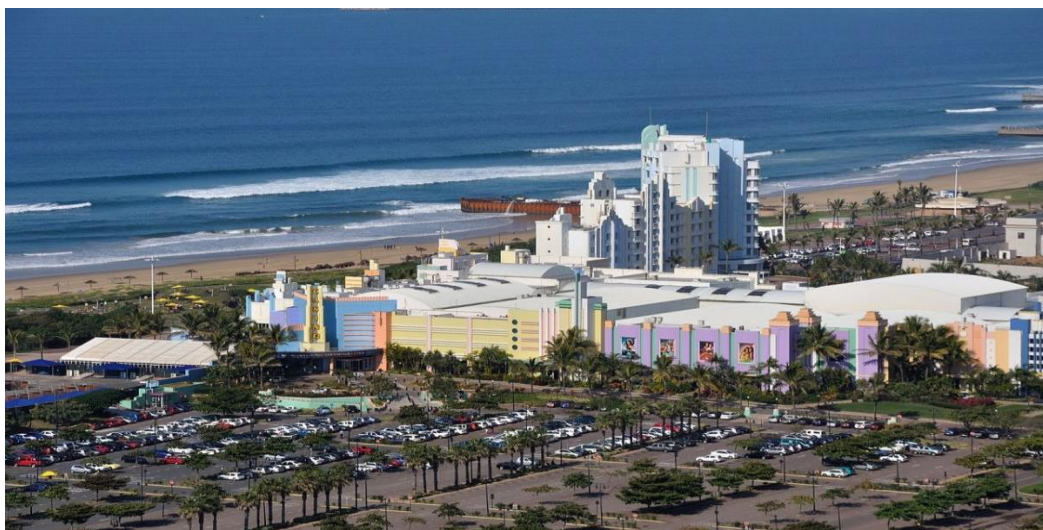


Figure 156: Green Spaces in Cities

FUTURE FOCUS 18/19

The following are the Strategic Projects which the Unit will be focussing on over the next five (5) years.

- The commencement of the Building of the new Durban Central Library
- Looking at alternate methods of disposal of Human Remains- due to shortage of land for the building of new Cemeteries and Crematoria.
- Extension of the Durban Natural Science Museum
- Building of the Mpumalanga Learning Centre
- Completion of the final phase of the Cato Manor/Umkhumbane Museum
- Verge campaign to inculcate a sense of Civic Pride within the Communities served
- Continued roll-out of the Liberation heritage route markers to encourage Tourism to our heritage sites.
- Continued roll-out of Outdoor Gyms to all Wards and the inclusion of a maintenance plan and budget to ensure effective sustainable maintenance of these projects.
- On-going Negotiation to source and purchase suitable land for Cemeteries and crematoria
- Extension of the Grass Cutting programme to include minimum of 8 cuts per year to all areas including that of the Department of transport's main Roads (which is not the City's mandate, but which impacts on the overall aesthetics of the City.
- The extension of the Sports Development Programme to be inclusive to all 110 Wards
- Undertaking of the new Amaoti Library as well as the Tshelimnyama Library and the completion of the Umgababa Swimming Pool.
- The Glebelands Hostel sports facility upgrade, including the Combi Courts and Swimming Pool and Public Ablutions.
- The Extension of Library Services to areas where no service has been previously provided for in terms of the Access Mapping Exercise, viz Galleria mall; Amaoti; Tshelimnyama.

3.13 DEVELOPMENT, PLANNING, ENVIRONMENT MANAGEMENT (DPEM)

The unit is to lead, direct and manage the use of the built and natural environment to ensure the sustainable and integrated growth and development of our Municipality. It comprises three core departments that contribute to the municipality's sustainability agenda viz.: Development Planning, Development Management and Environmental Planning & Climate Protection supported by an executive and administrative component.

2017/2018 KEY PRIORITY PROGRAMMES AND PROJECTS

Strategic Spatial Planning

Programme: develop and implement a sustainable and integrated spatial planning system

In compliance with the requirements of Section 26 of the Municipal Systems Act (2000), the Municipality is incrementally working towards a comprehensive spatial planning and land use management system of which a key aspect is the development of a Planning and Development Management Toolbox which includes a package of plans. In this regard, the following key projects were initiated or completed in 2017/2018:

- Spatial Development Framework Review 2018/2019
- Implementation of the Climate Resilience Implementation Plan
- Cato Ridge Local Area Plan Review
- Watson North/Greylands FAP & Scheme
- Ward 105 (Vulamehlo) Local Area Plan & Scheme
- Nsimbini/Golokodo Formalisation Local Area Plan and Scheme
- Densification Corridor Studies
- Waterfall/Inanda Road FAP & Scheme.
- Identification of Pilot Projects within the North Public Transport Corridor
- Central Densification
- Central & Reservoir Hills Scheme Review
- Creation of two student accommodation precinct.

Global Project: Cities Fit for Climate Change

The eThekweni Municipality has both a Spatial Development Framework as well as a number of strategy documents on climate change, the most recent being the Durban Climate Change Strategy (DCCS). In 2016/2017 the CFCC supported the eThekweni Municipality with a project entitled “From Policy to Action” – Climate Resilience Implementation Plan for the eThekweni Spatial Development Framework. This CFCC project aimed to support the eThekweni Municipality by promoting a stronger integration between existing eThekweni Municipal climate change response mechanisms and its spatial planning. In particular, the objectives of this assignment were twofold:

- To draft content on Climate Sensitive Spatial Planning that can be included in the Spatial Development Framework (SDF) of eThekweni Municipality.
- To develop an itemised implementation plan, of all the relevant climate related development projects, to be implemented through the SDF and Built Environment Performance Plan (BEPP) over a five-year period.

The project was led by the Strategic Spatial Planning Branch (eThekweni Municipality). The project started with a review of the SDF (2016/17) in order to increase the climate resilience of the framework. This review process included the development of an analysis background report, conducting interviews and a workshop to get input from eThekweni Municipal officials, culminating in the development of an implementation plan for the SDF.

This report is organised by the themes in the Durban Climate Change Strategy. Namely Water, Sea Level Rise, Biodiversity, Food Security, Health, Energy, Waste and Pollution, Transport, Economic Development.

Land Use Management

There have been several successful Scheme Amendments and extension of schemes over the Municipality as part of the requirement to ensure an effective land use system over the whole of the area by 2020.

The Land Use Management Branch has successfully implemented the eThekweni Municipality Land Use Management By-Law as required by SPLUMA. This has also been

co-ordinated with the proposed automation of the process anticipated in Quarter one of 2018.

BIODIVERSITY PLANNING BRANCH

2017/18 KEY PRIORITY PROGRAMMES/PROJECTS

Project: Durban Metropolitan Open Space System (D'MOSS)

The practical effect is that in the case of any land affected by D'MOSS, prior to carrying out any work on a site, the prior approval of the municipality must be obtained. In this regard, no approval for such work will be given unless the municipality is satisfied that the proposed activities will not degrade, destroy, or negatively impact on the integrity of the biodiversity and/or environmental services that may be generated within the affected area. Including D'MOSS in the schemes also ensures transparency and assists land owners and developers with planning the development and management of their properties. It should also lead to fairer municipal valuations and property taxes.

It is necessary to review the D'MOSS layer from time to time for a variety of reasons. These include: change to the municipal boundary, access to new biodiversity data, new information regarding threats to biodiversity and to accommodate the outcomes of agreements reached at the culmination of application processes for planning and environmental authorisation.

Since the layer was last updated in 2016, the EPCPD undertook a project during the 2017/18 financial year to prepare a new layer, publish it for comment by internal and external interested and affected parties, make changes based on inputs received and obtain approval from the eThekweni Council. The new layer was approved by the eThekweni Council and the Municipal Planning Tribunal during the 2017/18 financial year.

CHALLENGES AND MITIGATIONS

The various pieces of current planning legislation are overlapping and confusing for the public and even planning officials.

The numerous policies are also difficult to keep track of and their interpretation.

Standard Operating Procedures and processes are constantly changing due to changing legislation and this makes it hard for planners to keep up and ensure the latest SOP's are being used.

SUCSESSES AND AWARDS

- 5th International Climate Change Adaptation Conference (18-21 June 2018) held in Cape Town. Development Planning, Environment & Management Officials led panel discussions on the topic of climate friendly urban development using both UNEP cases and the CFCC works with eThekwini.
- 53rd ISOCARP International Congress Portland, Oregon, USA, FROM 24-27, October 2017. On the back of successfully hosting ISOCARP in 2016, the eThekwini Municipality was bestowed with the ISOCARP Award of Excellence for the Durban Inner City Spatial Framework Plan and Regeneration Strategy in Portland, Oregon, USA.
- Having won the award of excellence, the eThekwini Municipality was chosen to host the 28th ISOCARP Urban Planning Advisory Teams from 29 April – 4 May 2018, Durban being the first to host UPAT from all the global cities that won the award of excellence.



Figure 157: City scoops ISOCARP Award in the United States

3.14 ETHEKWINI HEALTH UNIT

The Health Unit's mandate is to provide an integrated primary health care service inclusive of clinical, social and municipal health services; so as to ensure that the eThekweni communities enjoy access to health care services as well as an environment which is conducive to good health status and quality of life leading to increased life expectancy.

Health services in the municipal health unit are comprised of personal and non-personal health care. Non personal health care is defined by the National Health Act 61 of 2003 as Municipal Health Services (MHS) and pertains to environmental factors which may impact negatively on the health and the well-being of the population.

The provision of personal health is a function of the national and provincial government. However, the provision of personal health by municipalities is explained in the National Health Act, chapter 5 (District Health System), section 32 which outlines how Primary Health Care can be provided by the municipalities through a service level agreement signed by MEC and municipality.

The Health unit renders the above services with a staff complement of just below 1 500 employees comprising of Executive Managers, Managers :Nursing Services, Environmental Health Services Managers, Environmental Health Practitioners, Environmental Health Assistants, Professional Nurses, Enrolled Nurses, Enrolled Nursing Assistants, Administrators, Clerks, General assistants as well as staff seconded from the Department of Health i.e. Nutrition advisers, Lay Counselors. Non Profit Organisations contracted by PDOH provided pharmacy assistant, pharmacists and medical officer support.

2017/18 Key Priority projects

- Increase compliance to Environmental Health Services Norms and standards.
- Improved quality of clinical health care services through ensuring compliance to National Core Standards and Ideal Clinic Realization at all facilities.
- Implementation of the Air Quality Monitoring Plan.

Key challenges

Poor access to Primary Health care clinical services remained a challenge throughout this financial year, which is largely due to the limited operating hours, caused by the lack of resources to operate extended hours of services in fixed clinics. In an attempt to address this challenge a submission was made to the Provincial Department of Health to fund extended hours of service and ward based health care through a Service Level Agreement.

The Unit continued to operate with an organogram approved in 2004 that is no longer responding to current Health challenges and needs, since the restructuring process was not yet finalized within this financial year and remains work in progress.

The shortage of staff (Clinical. Environmental Health and Social Health), directly affected the ability of the Health Unit to comply with stipulated quality norms and standards, which is largely due to the lack of funding.

Successes

The City's Air quality Management Monitoring plan was adopted in this financial year thus rendering the municipality compliant with relevant prescripts governing aspects of Air quality management planning in the City. Furthermore, budget was made available to ensure implementation of the plan.

Clinics are operating with the Web based information system thus addressing the standards required for patient information, record management systems and planning which in turn improves access to patient health information as and when needed.

Completed capital projects:

Mariannridge (handed over)

Waterfall (handed over)

Umkumbane Pharmacy depot

Quality Assurance

Ideal Clinic Realisation and Maintenance (ICRM) Project outcome

Gold (80-89%)		Silver (70-79%)	
* 10 Vital Elements		* 10 Vital Elements	
* 87 Essential Elements		* 87 Essential Elements	
* 110 Important Elements		* 110 Important Elements	
2018.02.09 Inanda C	(83%)	2017.11.13 Adams	(82%)
2018.02.09 Trenance park	(88%)	2017.11.13 Kingsburgh	(76%)
		2017.11.13 Lovu	(81%)
		2017.11.13 Stonebridge	(73%)
		2018.02.07 Lamontville	(89%)
		2018.02.09 Woodhurst	(94%)
		2018.02.09 Redcliffe	(86%)
		2018.02.12 Klaarwater	(92%)
		2018.02.12 Mpola	(85%)
		2018.02.12 Reservoir Hills	(81%)
		2018.02.15 Luganda	(81%)

Table 32: Ideal Clinic Realisation and Maintenance (ICRM) Project outcome

The Health Unit collaborated with the Provincial Department of Health in obtaining medical equipment to comply with patient safety standards.

EH Norms and Standards

The Health Unit target for environmental health services compliance to norms and standards was 70%. An actual score of 79% was achieved in 2017/18 following self-assessments conducted by teams in the sub districts.

Major Campaigns / Social community events

In partnership with the cluster executive office, the Provincial Department of Health, Office of the Mayor, Provincial Department of Health and other relevant stakeholders we facilitated activation of the following events

1. HIV AIDS Day (Activation program for the South African Tb Program (x 9 :Informal settlements and CRUs)

2. Traditional healers & Complementary healing event
3. Traditional Healers graduation

Future focus

- Implementation of the City Air Quality Management Plan
- Twelve PHC Clinics placed on the National Core Standards (NCS) and Ideal clinic scale up plan for 2017/18 financial year.
- Strengthening of the social development section in the health unit.

Any media coverage / additional info

Media coverage that required executive engagement involved the national Listeriosis outbreak and the TB HIV Care indiscriminate disposal of used syringes linked to the program to address safe drug use in the City by the NGO.

Score card out puts

1. Compliance with National Environmental health norms and standards has increased from 73% to 79% based on self-assessments conducted in the Areas.
2. 13 clinics achieved Ideal clinic status 2 gold and 11 achieved silver for Ideal clinic status in 2017/18

Department Name:

Pollution Control & Risk Management (PCRM)

Profile

PCRM comprises of Food safety and Air Quality management. Food safety ensures that both the Informal and Formal sectors are monitored to ensure the safe handling of food during production, storage and delivery of foodstuffs. This is done by evaluating food premises and food transportation vehicles and issuing of Certificate of Acceptability to compliant premises, as well as monitoring compliance with legal requirements and instituting remedial measures where necessary. The food safety laboratory analyses food, water, oil, milk and the like in supporting sub districts across the eThekweni Metropolitan Area (EMA). The Food Safety section is an integral part of the Environmental Health (EH) section.

The Air Quality Management section is responsible for monitoring ambient air quality, data QA and validation, Environmental Authorisations in terms of licensing, compliance monitoring and auditing of listed activities in terms of the NEM:AQA. Ensuring clean and safe externally (ambient and point sources) through emission inventory monitoring, modelling and toxicological reports, reviews and complaint investigations.

2017/2018 Key Priority Projects

FOOD SAFETY

(a) LISTERIOSIS OUTBREAK

The food poisoning bacterium that has been responsible for the outbreak is *Listeria monocytogenes* which is generally found in soil, water and high risk foods. The first case of Listeriosis in eThekweni was reported in December 2017 before it was declared a notifiable medical condition

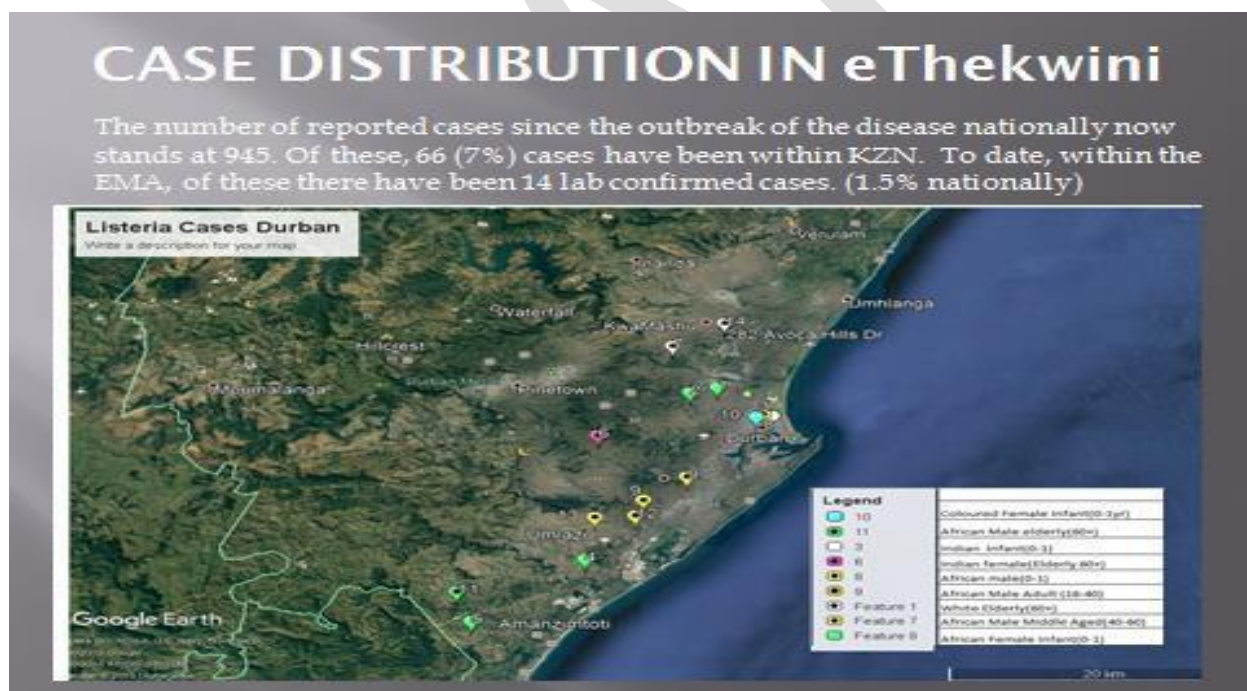


Figure 158: Depicts the geospatial distribution of cases

The cases in eThekweni Municipality are sporadically distributed throughout the entire Metro (see Figure 1).

A potential source of contaminated foodstuffs (processed meat plant) was identified, and a product recall was initiated country wide. The implicated meat processing facility

processed ready-to-eats meat products: viennas, polony, and other cold meats. The facility has since ceased operation. The disease progression altered significantly after the product recall was initiated on 4th March 2018.

The number of new cases reported each week has decreased since the implicated products were recalled. (See Figure 2 below).

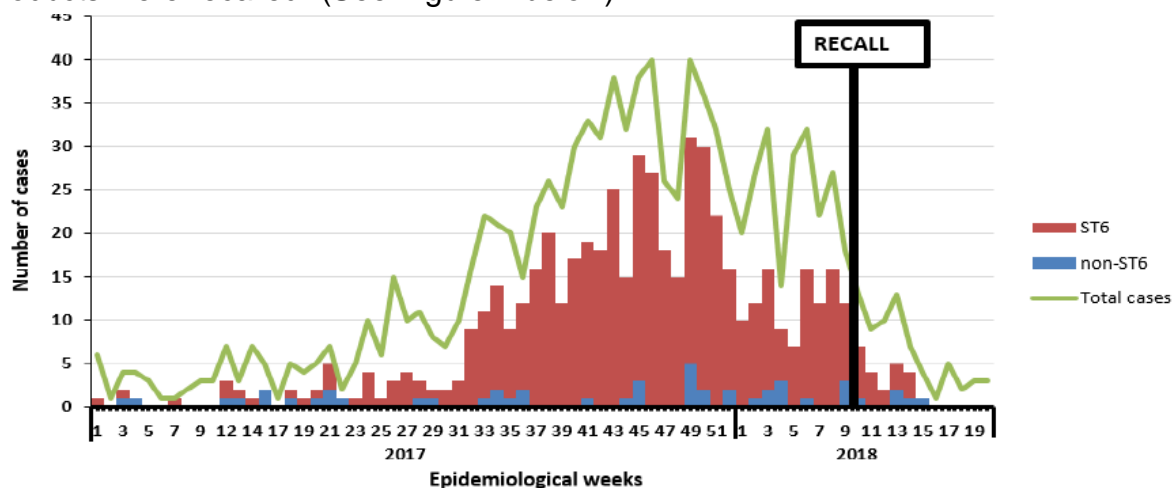


Figure 159: Listeriosis data cases

Epidemic curve of laboratory-confirmed listeriosis cases by date of clinical specimen collection (n=1038) and sequence type (ST) (n=564), South Africa, 01 January 2017 to 22 May 2018

A multi-sectoral approach was adopted in dealing with the outbreak and a team comprising members from NICD, Communicable Disease Control (CDC), National Department of Health (NDOH), EH and the Specialist Food Control section was formed to co-ordinate Health Unit efforts and interventions.

An intervention plan was developed to manage the outbreak. The activities involved case investigation, awareness campaigns, inspection of all food processing plants, sampling and training of EHPs.

The following interventions have been implemented for the period January 2018 to date:

KEY FOCUS AREA: HEALTH EDUCATION VULNERABLE GROUPS		
Number of campaigns	Number of IEC material issued	Number of health education and inspections conducted at premises housing vulnerable groups.
702	54830	2546
KEY FOCUS AREA: HEALTH EDUCATION FOOD HANDLERS		
Number of campaigns	Number of IEC material issued	Number of inspections conducted at food outlets
3716	22684	3907
KEY FOCUS AREA: PREMISES COMPLIANCE OF FOOD MANUFACTURERS		
Number of food manufacturers inspected	Number of premises re-inspected	Number of premises found to be unsatisfactory on initial inspection
110	15	15

Table 33: *Health interventions*

This intervention statistics is reported weekly to the Provincial Department of Health. There were further interventions involving EThekweni EH, NDOH and the broader Emergency Operating Centre's Incident Management Team (IMT) in collaboration with World Health Organisation (WHO). This included training, auditing, inspection and sampling of (swab testing for Listeria) of 2 meat processing facilities. Further audits of 10 meat processing facilities were also conducted. Inspection reports, risk profiling and inspection check sheets were subsequently compiled.

b) *Listeria* in Milk Products

EThekweni Health participated in the Dairy Standard Agency (DSA) milk sampling programme where one sample tested positive for *Listeria monocytogenes*. A second sample by another District municipality also tested positive. In response to this, a suspension notice was issued to the dairy to suspend the supply of milk into the EMA. Various interventions took place thereafter and the suspension notice was lifted.

c) Used cooking oil

Used cooking oil, if reused and re-heated may be harmful and carcinogenic as the oil breaks down to form polymerized triglycerides. A franchise fried chicken outlet chain revealed that the used cooking oil was unfit for further use. The tests revealed conflicting results based on the condition of the oil. This resulted in a sampling programme in 10 fried chicken outlets. A further 20 outlets were sampled. The test results and findings are as follows:

Phase	Number of premises sampled	Number of samples taken	Number of samples Unsatisfactory	Number of samples with conflicting results
Phase 1	10	22	16	11
Phase 2	20	45	11	15
Total	30	67	27	26
Percentage			40%	38%

Table 34: *Used cooking oil survey*

More than a third of the samples were unsatisfactory. Furthermore more than third of the sample results were conflicting. The implications of the conflicting results could have negative consequences therefore the 2018/2019 financial year will enable mitigation measures to be implemented.

d) Memorandum of Agreement with Mangosuthu University of Technology

Unused laboratory equipment was donated to MUT after recommendations by the CES Committee. This donation followed a Memorandum of Agreement between the Municipality and MUT. Obligations and conditions in the MOA was duly agreed to and both parties signed the MOA. A task team has been developed and are currently interacting with MUT to action the obligations of the MOA. It would add value to the research component of the Municipality; skills development and skills transfer for both students and Municipal officials. The collaboration with MUT will also strengthen the linkages between the city and academia, as well as offering “fair value” to this exchange.

3.14.1 REGULATORY

(a) LICENSING, COMPLIANCE MONITORING AND ENFORCEMENT

The Health Unit has since 2011 been involved in the issuing of Atmospheric Emission Licenses (AEL's). The total number of 112 AEL's were issued to facilities throughout the eThekweni Municipal Area (EMA).

Auditing is an excellent tool to assess compliance, to address non-compliance and to mitigate against potential risk. The audit of 10 Facilities in possession of AEL's was undertaken within the EMA. This involved the various aspects: legal, operational and compliance with both general and specific requirements including all time bound requirements of the licence. Various non –compliances were noted and are being addressed by the respective facilities.

(b) CREMATORIUM WORKSHOP

A crematorium workshop was held in March 2018 and attended by numerous stakeholders. An article on the challenges faced by the sector and outcomes of the successful workshop was published in the Metro Ezasegagasini in April 2018 (see attached photographs).

In terms of the regulatory and compliance requirements most crematoriums are experiencing challenges to be compliant or to remain compliant to the legislation *viz*.

- Compliance with the Minimum Emission Standards,
- Operation and maintenance of the plant,
- Optimisation of the cremation process.

3.14.2 AQMP ADOPTION BY COUNCIL

The Air Quality Management Plan was approved by council on the 10 May 2018 and will be incorporated into the IDP. In order to achieve the municipality's legislated mandate, a capital and operational budget was made available to the Health Unit to the value of R3.5 million (capital) and operational (R2.5 million) for 2018/2019.

3.14.3 AMBIENT AIR QUALITY MONITORING

a) EXPANSION TO THE AIR QUALITY MONITORING NETWORK

A fully fitted station has been commissioned in the Umkomaas South Region for the purpose of monitoring pollutants from surrounding industries. Pollutants that will be measured are sulphur dioxide (SO₂), nitrogen oxides (NO_x), Particulate Matter 10 (PM₁₀), Particulate Matter 2.5 (PM_{2.5}) and Volatile Organic Carbons (VOCs).

Challenges and Mitigations

- Listeria activities are still coordinated from National Department. Communication between National, Provinces and Local level is not at its best.
- The aging network in terms of Ambient Air Quality. A refurbishment plan is in place over a 5 year period to replace aging infrastructure.
- The existing structure will need to be reviewed in line with new National mandates and functions that have been devolved to the municipality.
- Attracting technically skilled staff. Development of a strategy with regards to recruitment and retention of staff.
- The delays in procurement in specialised monitoring equipment.
- The Food safety section of the Health Unit is grossly underfunded
- The Health Unit is not adequately prepared for emergency response.

Future Focus 2018/2019

- Promulgation and gazetting of the AQM bylaws for eThekweni municipality
- Implementation of projects with regards to the AQMP.
- Collaboration with Department of Environmental Affairs (DEA) with regards to Ambient Air Quality Monitoring at four priority stations within eThekweni.

- Restructuring to accommodate the legal mandates and function of PCRM.
- Additional intervention in terms of the Listeriosis outbreak will now involve auditing, inspecting and sampling our retail butcheries that also process ready-to-eat meat products.
- Engage with the fried chicken franchise Head office and extend the used oil sampling programme to other similar outlets within the EMA.

(a) SAMPLING FOR LISTERIOSIS AT A MEAT PROCESSING FACILITY



Figure 160: Sampling of meat processes

EXPANSION OF THE AQ MONITORING NETWORK-UMKOMAAS STATION





Figure 161: Expansion Of The Aq Monitoring Network -Umkomaas Station

3.15 ENTITIES

3.15.1 USHAKA MARINE WORLD

“The ultimate African paradise with a mix of adventure, sea, fun and sun!”

The two fundamental objectives for uShaka Marine World, encapsulated in the City's initiation document are for uShaka to serve as:

- a catalyst for urban renewal around the Point Precinct
- a strategic tourism facility for the city of Durban, as well as the province as a whole.

The culture of the company revolves around six core values:

- a) Sky high standards
- b) Oceans of accountability
- c) Deep passion for service delivery
- d) Honesty and Integrity
- e) Respect for diversity
- f) Total transparency

Functions

This flagship project was developed with the aim of regenerating the Point Precinct and has become a major tourist destination for both the national and international visitors alike. Amongst many achievements, uShaka now features on Monopoly Mzansi as per public vote. uShaka has received its fifth clean audit from the Auditor General of South Africa. This track record of which uShaka Marine World management is justifiably proud and confirms that uShaka Marine World continues to set the highest standards when it comes to good financial reporting, good governance and accountability. It has created a number of jobs, economic opportunities and has opened up new learning enhancement for schools through the operations of the Sea World Education Centre. There has been a considerable “multiplier effect” in terms of factors such as tourism attraction to Durban and a rise in adjacent property values (and related rates income for the city). uShaka employs approximately 508 staff at uShaka and has contributed immensely to the economic growth of the City.

uShaka Marine World, being a re-capitalization business model, is required to continually reinvest in new rides/attractions in order to maintain footfall. The success of the park to a large extent depends on the so-called “recap model” utilized within the theme park industry to ensure that aging assets are continually upgraded and that new and exciting attractions are introduced at periodic intervals.

Broad Overview

The Park consists of Sea World, Wet ‘n Wild, uShaka Kids World, Sea Animal Encounter Island, Dangerous Creatures and the Village Walk. It is owned by the eThekweni Municipality through a company called Durban Marine Theme Park SOC LTD (RF) (DMTP). The South African Association for Marine Biological Research (SAAMBR) is an independent contractor operating the Sea World component of the theme park (a Section 21 Company incorporated not for profit).

Covering 16 hectares, uShaka Marine World is the largest marine theme park in Africa and consists of six distinct divisions:

Wet ‘n Wild

This outstanding park consists of water-based slides and rides and is a must for any aquatic enthusiast. Featuring heated water, exciting slides, the highest slide in Africa, a

450-metre Duzi Adventure River, as well as souvenir stores and restaurants, Wet 'n Wild is a must for any family wanting a fun day out in the sun. Wet 'n Wild is the main attraction during peak seasons - particularly in summer and capacity constraints come into play during these times.

Sea World

The jewel in the crown of uShaka Marine World, Sea World boasts not only the largest aquarium in the southern hemisphere but also a 1,200 seater dolphin stadium, a 450 seater seal stadium and the "Phantom Ship" consisting of restaurants and bars. The "Wreck" aquarium is an underground aquarium featuring 5 themed shipwrecks and approximately 10,000 creatures. Sea World plays a major role in positioning the park as an exciting destination with a conservation ethos.

uShaka Kids World

uShaka Kids World has been designed with kids under the age of 12 in mind; a place where children truly have the freedom to play! Sandwiched between Sea World and the Village Walk, uShaka Kids World is a haven for young kids and was designed with a host of activities and interactive areas. Boasting Africa's biggest jungle gym, it also has Crabby Beach (giant sandpit), Polly's Paint Pen (painting paradise), Cast-Aways (show time stage area, with interactive mascot shows) and a "wet area" called "Splish Splash Sprinkler Zone".

Village Walk

This uniquely themed shopping centre covers 11 180.65sqm and has 80 outlets ranging from fashion, craft to fast foods and themed food and beverage outlets. The Village Walk has emerged as a destination shopping centre because of its unique casual outdoor "look and feel" The inclusion of Dangerous Creatures, the new Rope Adventure within the centre and being the access point to Kids World and the Theme Park has cemented this uniqueness

Dangerous Creatures

Laid out in Indiana Jones style, this fascinating educational display first opened to the public in 2006 as a temporary showcase with just 24 exhibits. It proved so popular that it was moved to uShaka Village Walk three years later with 300 square metres of floor

space housing many more 'fearsome' creatures. A range of animals can be seen here, including reptiles, arthropods, amphibians, tarantula and large king snakes. On entering the warehouse, visitors find themselves in a jumble of crates and boxes where a host of beautiful, interesting and potentially dangerous animals are on display. A series of special effects at various points have been designed to startle and amuse visitors while heightening their sense of expectation.

Sea Animal Encounter Island

The New Sea Animal Encounter Island was opened in December 2015. This allows for the Guests to participate in the interactions with the Sea Animals without paying the entrance fee into Sea World. Two new activities, the Back of House Tour and the Fish Feed (to the exclusion of the Scatter Feed) have been introduced. The Island offers new opportunities for Functions and the Anchor Hold Restaurant.

Successes and Awards

- Certificate of Excellence from Trip Advisor
- Lilizela Award 2017 Marine Experience
- Best Tourism Brand KZN 2017
- Third place in the Sunday Times Generation Next (for the 6th consecutive year)
- Trip Adviser ranks as #1 attraction out of 118 in Durban.
- KZN Top Business – Top Brand 2018

2018/2019 FUTURE FOCUS

PROGRAMMES	PROJECTS
Provision of targeted guest-oriented quality services in the Theme Park	<p>Continuous monitoring of guest complaints and compliments daily, weekly and monthly reports</p> <p>Building a customer-focused culture</p> <p>Optimization of uShaka Human Capital</p>
Creation of exciting, fun and quality experiences and environment to grow the Park footprint	<p>Marketing Innovation and raise Brand Awareness e.g. differentiated digital space platforms</p> <p>Brand disruption</p> <p>Develop an aggressive bulk sales strategy</p>
Provision of a functional, well maintained and safe Theme Park that meet all required standards.	<p>Asset Verification & Condition Assessment</p> <p>Useful lives of assets exercise</p> <p>Computerised Maintenance Management System</p>
Creation of a platform for growth, empowerment and skills development	<p>An integrated human resource management system (HRMS)</p> <p>An integrated skills development and people empowerment approach</p> <p>Promotion of People Philosophy and Good to great project</p>
Growing the primary and secondary revenue generators to sustain the Theme Park.	<p>Refine Pricing, that is, Alternate Pricing models</p> <p>Diversify strategies to increase secondary revenue generators</p>
To ensure legislative compliance and good governance.	<p>Achieve a clean audit opinion</p> <p>Increased procurement from disadvantaged individuals and drive transformation programs</p>
Provision of diverse, educational and entertaining conservation-orientated product offerings.	Driving the Social (CSI) and Green Economy (Environmental sustainability) projects
Provision of a financially accountable and sustainable entity.	<p>Cost management strategy and plan</p> <p>Achieve budgeted EBITDA</p>

Table 35: Ushaka Marine future focus

CHALLENGES AND MITIGATIONS

Ageing Infrastructure – Co-Funding with the City

Sustainability of the Entity – Strategic plan, cash flow/financial management, expenditure control

Destination Appeal of Durban – Partnerships with various tourism bodies and City

Adverse Economic Environment – Value of SA Rand and decreasing disposable income

Resources- Water/Energy – Load/Water Shedding and Scarce Skills

New/Emerging Competition – New Developments and Events around Durban North Coast Development and Midlands Meanders evolution (trendy)

3.15.2 INTERNATIONAL CONVENTION CENTRE

The Durban ICC is an entity of the eThekweni Municipality and operates in Durban, South Africa. The Complex incorporates the Durban International Convention Centre, the Durban ICC Arena and the Durban Exhibition Centre, making it the largest flat floor, column-free multi-purpose event space in Africa.

The company exists to deliver on its twin mandates of generating positive socio-economic impact to the citizens of Durban whilst simultaneously operating in a responsible and profitable manner.

INTEGRATED SUSTAINABILITY REPORT

The Durban ICC at a glance in terms of People, Planet, Partners, Property and Profit

PEOPLE

The Durban ICC's primary focus is to create significant economic and community benefit for the people of Durban. KwaZulu-Natal and South Africa. We accomplish this by attracting world-class events and hosting delegates from around the world, benefitting the people and local businesses. The strong relationships that the company

has built over the years with government, industry stakeholders, clients, suppliers and members of the community make this possible.

More than **100,000 jobs** have been cumulatively created and sustained as a result of the Durban ICC's activities since 2007 and over **9000 jobs in 2018** alone.

The Durban ICC has made a total contribution of over **R18 billion** to South Africa's GDP since 2015.

The Durban ICC employs **161** full time staff. During the 2018 Financial Year, the Centre upskilled **46** people through its Graduate and Student programmes.

The company invested in **754.50 Staff Training Days** in its staff this year.

In an effort to promote youth empowerment, the Durban ICC **exceeded its youth employment target of 45%** by 3% in the 2017/18 financial year, bringing the total number of the company's youth staff complement to **48%**. The Durban ICC has **44%** female representation at **top and senior management level**.

PLANET

The Durban ICC is committed to protecting and preserving the environment in all its activities. This entails continuous improvement, not only in the quality of our events the Centre hosts, but also in our daily operations.

The overall electricity consumption for Durban ICC, Arena and Durban Exhibition Centre decreased from 9 092 431 kWh in 2017 to 8 469 043 kWh in 2018, delivering a 6.55% decrease in consumption.

The Durban ICC is currently exploring opportunities to reduce water consumption through rain water and grey water harvesting.

The Centre makes use of an **Ice-Harvesting** system to cool the facility, which is a far more environmentally responsible system than traditional air-conditioning.

The Centre's **escalators** are fitted with **motion sensors** to activate only when a guest steps on them, reducing unnecessary energy consumption when not in use.

The company successfully maintained its **ISO 14001 certification** for Environmental Responsibility in 2018. The Centre has held this international certification since 2011.

PROPERTY

The Inkosi Albert Luthuli ICC Complex offers the largest flat floor, column-free multi-purpose event space in Africa. Incorporating the Durban International Convention Centre, the Durban ICC Arena and Durban Exhibition Centre, the complex offers over 112,000m² of flexible exhibition and meeting space.

The complex has hosted both the Largest (International AIDS Conference 2016) and Second-largest (COP-17 in 2011) conferences ever held on the African continent.

The Durban ICC is ranked among the **Top 17** convention centres in the world by the International Association of Congress Centres, and is currently the only centre in Africa to make this list.

The building's size is immense – large enough to fit three full Football pitches.

The Centre houses a system of underground tunnels and lifts linking its main kitchen to its 16 satellite kitchens, enabling it to serve **5,000 hot, plated meals** to any area of the venue within **16 minutes**.

PROFIT

In order to be a self-sustaining entity of the eThekweni Municipality and not be a burden to the rate-payers of Durban, the company strives to operate profitably. These profits are also essential to re-invest into the facility to keep it at a world-class standard and attract future international events.

The Durban ICC generated a Nett Profit of R21-million for the past financial year.

The Durban ICC has remained profitable for the past **seven consecutive financial years**.

For the last six years the Durban ICC has generated a cumulative net profit of **R225-million**.

The Durban ICC was built at a cost of **R746-million** and has already generated over **R39-billion** over the past twelve years for the national economy.

DURBAN ICC HIGHLIGHTS FOR THE PERIOD UNDER REVIEW

The Durban ICC's remarkable key performance highlights for 2018 include:

- The company made a R4.7 billion contribution to South Africa's Gross Domestic product and R4.6 billion to Gross Geographic Product in 2018.
- A total of R276.4-million in tax revenue was generated by the Durban ICC in 2018.
- The company's cash flows generated from operations improved by R21 million from the prior financial period while net assets grew from R468.7 million to R490 million.
- The Centre was voted "*Africa's Leading Meetings and Conference Centre*" for the sixteenth time in seventeen years at the World Travel Awards.
- The Durban ICC successfully retained all its four international certificates namely ISO: 9001, ISO: 14001, ISO: 22000 and OHSAS18001, making it the only Convention Centre in the country to hold all four certifications.
- The Durban ICC has been ranked in the world's Top 17 Convention Centres by AIPC - the International Association of Convention Centres. This is an outstanding achievement in the global meetings industry.
- The company's target of 95% in customer satisfaction was achieved for the 2017/2018 fiscal primarily as a result of the strong controls in place to drive and improve on service excellence to customers.

MACRO-ECONOMIC CONTRIBUTION

Since its inception, the Durban ICC has operated as a catalyst for economic development.

In order to properly quantify the influence which the Centre has on the local and national economies, an independent Economic Impact Study has been commissioned each year since 2007. This past year, *Grant Thornton South Africa* was appointed to conduct the independent study for the company.

The 2018 Economic Impact Report reveals that the Centre has continued to deliver effectively on its primary mandate and made a significant contribution to economy on a local, provincial and national level.

The over-arching impact for the City is the revenue generated as a result of the delegates' expenditure while attending the events secured by the Durban ICC. In order to quantify the region's financial benefit, the expenditure derived from all visitor activity in the relevant economic sectors must be calculated. The report calculates the contribution made in a number of key economic indicators including the overall contribution to South Africa's Gross Domestic Product, contribution to KwaZulu-Natal's Gross Geographic Product, and the impact this had on job creation. In addition, the study reports on the flow to government taxes, net foreign exchange earnings and the contribution to low-income households.

The projected value of each of these identified economic indicators is listed in the section below as well as the Centre's cumulative contribution over the past twelve years:

Key Macro-economic Indicator	2018	Cumulative Total (2007 – 2018)
Contribution to South Africa's GDP	R 4.7-billion	R 39.1-billion
Contribution to KwaZulu-Natal's GGP	R 4.6-billion	R 37.2-billion
Foreign Exchange Earnings	R 692.1-million	R 6.4-billion
Tax Revenue Generated	R 276.4-million	R 3-billion
Total Delegate and Visitor Days	1 387 595 days	16-million days
Jobs Created (Direct and Indirect)	9 474	102 596

Table 36: *Centre's cumulative contribution*

The 2018 report reveals that during the past fiscal year, the Centre contributed R4.7 billion to South Africa's Gross Domestic Product. The majority of this contribution directly benefited the KwaZulu-Natal Gross Geographic Product during the year to the tune of R 4.6 billion.

The Durban ICC's contribution to the country's Gross Domestic Product over the past twelve years has exceeded R39-billion. This is an outstanding achievement considering

it does not include the Centre's contribution in the first nine years of its operation, which was not quantified at the time.

Contribution to Provincial and National Economies



Figure 162: Contribution to Provincial and National Economies

The 2018 report reveals that during the past fiscal year, the Centre contributed R4,745,900,697 to South Africa's GDP. The majority of this contribution directly benefited the KwaZulu-Natal Gross Geographic Product during the year to the tune of R 4,602,177,255.

The Durban ICC's contribution to the country's Gross Domestic Product over the past twelve years has exceeded R39.1-billion. This is an outstanding achievement considering it does not include the Centre's contribution in the first nine years of its operation, which was not quantified at the time.

Contribution to Employment

From an employment perspective, a total of 9 474 people were employed as a result of the Durban ICC's activities. In 2018, 6 969 people were employed directly and a further 2 505 people were employed indirectly as a result of events

hosted at the Centre. The expenditure generated by the Durban ICC contributed R852.8 million towards annualised labour remuneration in South Africa in 2017/18 and R1.0 billion towards indirect household income.

The Centre is responsible for creating and sustaining over 100,000 jobs over the past twelve years.

Contribution to SA & KZN Employment in 2018

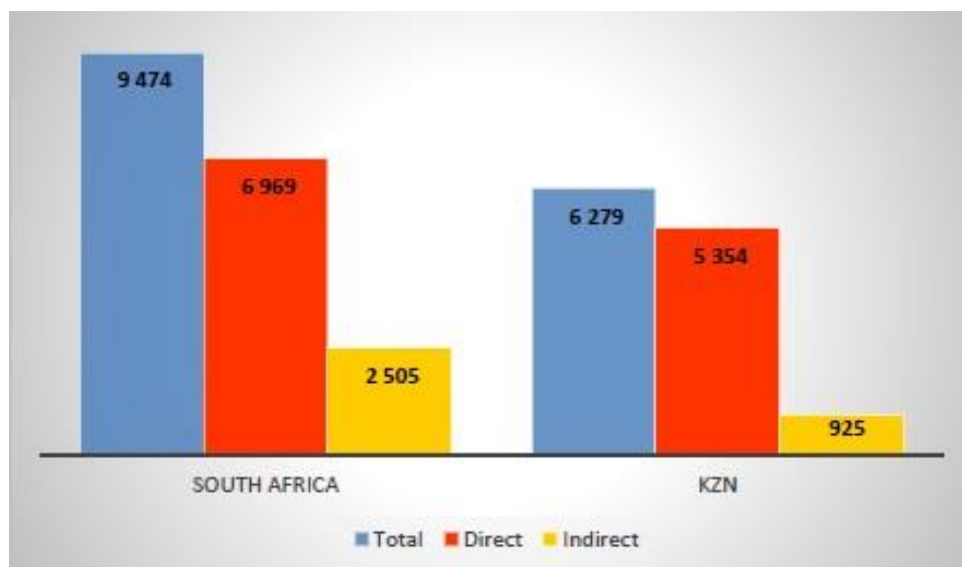


Figure 163: Contribution to SA & KZN Employment in 2018

Delegate and Visitor Days

The report projected that the Centre generated a total of 1.38-million delegate and visitor days during the 2018 fiscal year. This is an increase of 2.5% compared to the previous year where 1.35-million delegate and visitor days were generated by the Durban ICC.

International delegate and visitor days totalled 222 693 and constituted 16% of the total days. The balance of the days was split between delegates from within the KwaZulu-Natal province (53%) and the rest of South Africa (31%).

Delegate and Visitor Days Five-year Comparison

Total Days Generated By:	Financial Years				
	2014	2015	2016	2017	2018
Congresses					
KwaZulu-Natal	132 223	85 435	855 108	114 131	55 621
Rest of South Africa	33 259	180 588	376 140	93 896	128 586
International	28 806	160 193	106 569	313 390	111 339
Total Days	75 228	426 216	355 800	521 417	295 546
Exhibitions and Other Events					
KwaZulu-Natal	382 035	732 357	337 600	556 343	675 700
Rest of South Africa	469 023	185 231	626 185	207 365	304 995
International	486 339	142 682	93 441	68 285	111 354
Total Days	1 337 396	1 060 270	404 879	831 993	1 092 050
Total All Events					
KwaZulu-Natal	362 197	395 258	192 709	670 474	731 321
Rest of South Africa	440 889	502 282	002 326	301 260	433 581
International	448 327	515 144	010 200	381 676	222 693
Total Days	1 251 413	1 412 684	5 1 235 204	1 353 410	1 387 595

Table 37: Delegate and Visitor Days Five-year Comparison

Other Macroeconomic Benefits

During the past year, the Durban ICC also made other significant contributions in the following economic areas:

- **Tax Revenue Generation** – A total of R276.4-million in tax revenue was generated by the Durban ICC in 2018. Since 2007, activities associated with the Durban ICC have cumulatively contributed R3-billion to government taxes.
- **Foreign Exchange Earnings** – The Durban ICC makes an important contribution to foreign exchange earnings by attracting international delegates and tourists to the country. The foreign exchange earnings totalled R692.1-million in 2018 and bring the cumulative total of net foreign exchange earnings to R6.4-billion in since 2007.
- It is projected that the expenditure generated by the Durban ICC contributed R852.8 million towards annualised labour remuneration in South Africa in 2017/18 and R1.0 billion towards indirect household income in 2017.
- **Impact on the Tourism Industry** – Apart from the foreign exchange revenue mentioned above, the Durban ICC makes a significant contribution to the tourism industry by attracting international delegates to South Africa. It is estimated that an additional 908 632 hotel room-nights were generated as a result of the Centre's activities in 2018. The main beneficiaries of the additional room-nights spent in the country are the accommodation, food and beverage, and retail sub-sectors.

GROWING THE BUSINESS

Event Summary

Despite a tough trading environment the Durban ICC successfully hosted 456 events during the year. A total of 21 international events, with a further 435 national events were hosted during the period under review.

Corporate events accounted for 39% of all events held in 2017/18, followed by Government at 25%, Associations at 20% and then Private events at 16%.

By number, the largest proportion of events was banquet functions (40%), followed by meetings and seminars (31%). Conferences accounted for 14% of events, whilst exhibitions / trade shows / trade fairs accounted for 10% and concerts / shows / public events / religious / sport events accounted for the remaining 5%.

Without the benefit of a major association event falling within this fiscal, the company took encouragement in the solid growth shown in the Corporate and Government business over the past year.

A total of 1.4-million delegate and visitor days were generated this year. The majority of the support was generated by South African delegates, with International delegates accounting for 16% of the total.

International Event Focus

This past year, the Durban ICC hosted a number of important events including the Terminal Operations Conference for Middle East and Africa, the 4th World Tamils Economic Conference and the Southern African Transplantation Society Congress

Below is a selection of the international event highlights hosted during the 2017 financial year:

International Events Highlights
Southern African Society for Cataract and Refractive Surgery Congress 2017
Southern African Transplantation Society 2017 Congress
Terminal Operations Conference Middle East and Africa
Psychology Association SA Conference - 1st Pan African Conference
4 th World Tamils Economic Conference 2017
Durban Business Fair & Essence Festival 2017
The Catholic Archdiocese of Durban 2017 Mini World Youth Day
Toyota Pan-African Meeting 2018
International Association for Impact Assessment South Africa 2018
1 st Annual African Forum on Quality Improvement in Health Care
International Building and Woodworkers Congress
Pan African Cemeteries and Crematoria Conference
IFCC World Lab Durban 2017
Pan African Thoracic Society Conference 2018
Women in Agribusiness Conference
20th African Renaissance Festival
Southern African TB Conference 2018
Africa's Travel Indaba 2018

Table 38: International event highlights

Concerts and Special Events

The City of Durban was treated to a full programme of local and international acts performing at the Durban ICC this past year. Below is a selection of some of the highlight events.

Concerts and Special Events
East Coast Radio House & Garden Show 2017
Disney on Ice 2017
Kite 2017
Johnny Clegg Concert
Joyous Celebration 21 Concert
The Wedding Expo 2017
International Bank Vaults Children's VIP Day
Trevor Noah Comedy Show
Loerie Awards 2017
Eastern Bridal Fair 2017
Shreya Ghoshal Concert
Durban Fashion Fair 2017
2017 Mama Magic The Baby Show
Harvest 2017
Mrs Universe Pageant
Sustainable City Exhibition 2017
Indoni Miss Cultural SA 2017
Hobby X 2017
South Africa, Russia Conference & Exhibition 2017
SABC Crown Gospel Awards 2017
Udit Narayan and Rithvik in Concert
Yusuf Cat Stevens Concert

Table 39: **Concerts and Special Events**

Media Exposure and Public Relations

During the 2018 fiscal, the Centre continued to enjoy effective media coverage of its achievements and the events it hosted. For the period under review, the Effective Media Exposure for the Durban ICC brand amounted to over R47-million, exceeding its target by 12%.

Audited Media Exposure Figures

Service	Effective Print Exposure	Effective Broadcast Exposure	Effective Online Exposure	Total Effective Exposure	Target
Totals	27 691 666	5 017 057	14 298 195	47 006 918	42 000 000

Table 40: Audited Media Exposure Figures

DELIVERING SERVICE EXCELLENCE

Providing exceptional customer service remains the principal focus of the Durban ICC. We strive to ensure that our guests have a memorable experience at our five-star facility which delivers world-class service with the South African panache of warmth and hospitality.

The Durban ICC 's operational division is cognizant of the fact that customer service is a number one priority; with that in mind the training and retraining activities of front line and back of house personnel were conducted in the financial year ending June 2018. The rigorous training was aimed at enhancing the skills of the teams that work directly and indirectly with clients.

Multi-skilling of Staff

Through continuous training, the operations division is able to up-skill temporary staff, by empowering and capacitating them to on take even bigger responsibilities.

Over the past year, the Operations department did not lost the sight of its key focus areas which are:

- Ensuring service excellence through better management oversight during live events;

- Effective communication and sharing of information;
- Implementation of the “Back to Brilliant Basics” training plan; and
- Empowering of staff at all levels of the Team.

Health and Safety

The Durban ICC’s Operations department has reviewed its entire security system with the intent to improve the security effectiveness in the centre. Focus and priority is given to the following:

- Staff safety and security awareness (Security information & Intelligence);
- Proactive Prevention (CCTV cameras awareness, perimeter fencing, etc.);
- Well Managed Response (A responsive, effective, efficient service to deal with Durban ICC’s operational security needs);
- Caring for Stakeholders (One of the fundamental components of the requirement for the safety and security service is caring for the stakeholders).

The department’s vision for occupational health and safety of the workforce is one of a zero tolerance for fatalities, injuries and contracting diseases in the workplace. The effective implementation of the occupational health and safety programme, the fire safety programme, the health and safety policies and the awareness programmes will assist in mitigating injuries at work.

The Durban ICC conforms to the current SASRE Act as well as our Event Operational Procedures, in striving for long-term and sustainable excellence, maximising everyone’s safety during events within the premises of the centre.

The department’s Health and Safety representatives constantly attend all Urban Improvement Precinct meetings where safety and security issues are discussed and addressed. The Durban ICC also works closely with the local Community Policing Forum.

Customer Satisfaction

Enhancing customer satisfaction has remained the key focus of the Durban ICC, and the centre ensures that visitors and clients complete post-visit surveys to ascertain service levels and guest satisfaction. The management of post-visit surveys is on-going,

as the data gathered through this platform allows the business to gain deeper insights into the organisation. The Durban ICC successfully met its customer satisfaction target of 95% for the 2017/18 financial year.

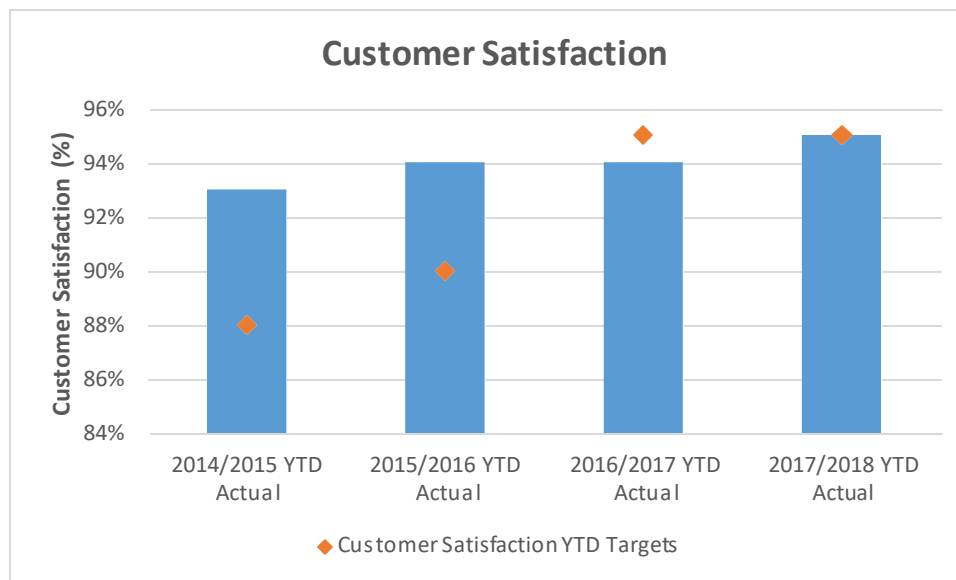


Figure 164: *Customer Satisfaction Analysis*

Cost Containment

Significant progress has been made by the Durban ICC to cut down on operational costs without compromising on quality and service excellence. To this end, the operations department implemented robust cost curtailment measures such as utilising internal personnel to conduct furniture repairs therefore limiting the use and reliance of external consultants.

International Standards

The Durban ICC has successfully retained all its four international certificates for Quality Management (ISO: 9001), Food Safety (ISO: 22000), Environment Sustainability (ISO: 14001) and Occupational Health and Safety Management Systems

(OHSAS 18001). Notably, the Durban ICC is the only convention centre in the country to have achieved all of these certifications.

The Centre has also retained the South African Tourism Grading Council Certificate of being a Five-Star Rated establishment.

These credentials affirm the Durban ICC's dedication to international best-practice management. Having met the requirements of the set standards, our clients and stakeholders can rest assured that we are providing a safe and healthy environment for all our delegates and guests.

Upcoming Projects

The Durban ICC takes pride in that it is one of the world's leading meetings and conference facilities. Therefore, the continuous maintenance of our infrastructure is highly critical to ensure that our operations run optimally in keeping with the high international standards expected by our clients.

A number of projects will be undertaken in the new fiscal which include:

Phase 2 of operable wall refurbishment

The next phase (Phase 2) of the operable wall project is planned for the 2018/2019 financial year. During this phase, Halls 3ABC operable walls will be refurbished. During the revamp process the opportunity of separating Hall 3A into two equal sized halls will also be explored. This is to provide flexibility to our clients in instances whereby smaller venues are required.

Hall 1 and 2 Auditorium Tribune Seating Refurbishment

The Durban ICC offers clients the option of auditorium seating or flat-floor use in Hall 1 and Hall 2 by raising the tribune seats into the ceiling. The project plan for the refurbishment of the auditorium tribune seats has been approved and the installation will commence during the 2018/19 financial year.

Alternative water supply

South Africa has been severely affected by drought in recent months. Some residents and businesses around the country have been experiencing on-going water supply interruptions owing to insufficient rainfall. Dry weather conditions coupled with very little rainfall has resulted in the depletion of available water in the dams around the country.

The Durban ICC as an international conference venue that hosts national and international delegates, understands the importance of having access to clean water. But also understands the importance of water conservation, as it is a very scarce resource. For business continuity, the Durban ICC is procuring permanent water tanks that will ensure sufficient water supply to the venue in the unfortunate event of water shortage to the facility.

Durban ICC passengers and service lifts modernisation

There are eight passenger and service lifts in the ICC section of the Durban. These lifts are important for the accessibility of our guests that visit the facility as well as to ensure that the services provided by our staff members at various sections and levels of the facility are rendered speedily.

To ensure that our guests continue to enjoy ease of access in our venue and that staff are able to timeously render services, budget for modernisation of all eight lifts has been set aside for the 2018/19 fiscal year.

GIVING BACK TO OUR COMMUNITY

In alignment with its Environmental, Social and Governance Policy as well as the company's commitment to the United Nations Global Goals for Sustainable Development, the Durban ICC continued to play an active role in supporting its local community through its Corporate Social Investment (CSI) programme.

Empowering local communities and giving back to those less fortunate is at the heart of what we do at Durban ICC. Although we are unable to reach everyone; we hope that our contribution as a company goes a long way towards changing people's lives.

CSI is therefore an integral part of the Centre's commitment to sustainable development and enhancing the Company's reputation as a responsible corporate citizen and a valued partner amongst the communities in which it operates.

In alignment with King IV, and the UN Global Goals for Sustainable Development, the Company seeks to continuously improve its performance in all areas of the triple bottom line: social, economic and environmental.

Governments, businesses and civil society have started to mobilise efforts to achieve the Sustainable Development Agenda by 2030. Universal, inclusive and indivisible, the Agenda calls for action by all countries to improve the lives of people everywhere.

Below are the 17 Global Goals for Sustainable Development:



Figure 165: 17 Global Goals for Sustainable Development

The Company's CSI activities are primarily focused on the following Global Goals:

1. No poverty
2. Zero Hunger
3. Good Health and Wellbeing
4. Quality Education
5. Gender Equality
7. Affordable and Clean Energy
10. Reduced Inequalities
11. Sustainable Cities and Communities
13. Climate Action

Between July 2017 and June 2018, the Durban ICC provided sponsorship in terms of venue hire, food, gifts and financial support for various charities totalled over R700 000.

The section below gives a brief summary of the CSI Projects which the Durban ICC participated in this year:

Nelson Mandela Day - Rise Against Hunger Challenge

In honour of Nelson Mandela Day 2017, the Durban ICC hosted an event in partnership with *Stop Hunger Now SA*, themed: "Rise Against Hunger Challenge."

This was a national campaign which comprised of a series of meal packaging events, where volunteers packaged meals in teams representing their company. The Durban leg of the campaign was hosted at the Durban Exhibition Centre and the company selected a team to pack meals for their 67 minutes of service.

The meal packaging events are a fun and engaging way for volunteers to be part of the drive to end child hunger. At these events, 40 volunteers can package 10 000 meals in under two hours. Given the efficiencies of hosting of meal packaging events, *Stop Hunger Now SA* is able to scale the event from one benefiting a single Early Childhood Development Centre to a series of packaging events that would benefit an entire community.

The meals are highly nutritious and comprise of rice, soya, dehydrated vegetable mix and a fortification pack of 23 essential minerals and vitamins specifically formulated to combat malnutrition (complying with the UNICEF standard).

The Unlimited Child Foundation

The 14th of August 2017 marked the beginning of leading early childhood education NPO, *The Unlimited Child's* partnership with the Durban ICC. The partnership saw six Early Childhood Development (ECD) centres in the Umlazi District being supported with quality educational programming and toy resources through partnership funding received from the Durban ICC.

The project was launched with a four-day skills development training workshop for non-formal teachers and ECD centre supervisors. *The Unlimited Child*, through its national footprint, focusses on the upskilling of non-formal teachers, or practitioners as referred to in the sector, to effectively deliver an interactive and stimulating curriculum to the children at their centres.

This education programme is aligned to the national curriculum framework and thus provides the correct grounding for children in the 0-5 age cohort to attain school readiness. The programme also includes supplementary toy resources reinforcing the learning through play methodologies that underpin the content.

The Durban ICC's investment in early childhood development is ensuring that 16 practitioners and over 300 children will benefit from a rapidly transformed working and learning environment respectively and that every beneficiary will be empowered to maximize their potential. And with the correct foundation being laid, many children benefit thereafter.

Reach for a Dream Foundation

In support of the Reach for a Dream Foundation's annual fundraising Quiz Night event, the Durban ICC sponsored the venue and furniture required for the event. This assist the organisation to reduce its operational costs for the event.

With the funds raised from the Quiz Night, the Reach for a Dream Foundation was able to fulfil the dreams of those children who suffer with Life threatening illnesses.

Kerry Donkin, Reach for a Dream Foundation's KZN Branch Manager said: "The guests, mostly donors, left the event expressing their enjoyment and their desire to return next year to once again support this cause. This is in large part to the Durban ICC who allowed us to hold the event in a lovely venue, which all our guests loved. Thanks to the Durban ICC we were able to host a fun, yet classy event that turned out to be a huge success."

Geness Foundation – Support of Educational Support Initiative

On the 21st and 22nd of October 2017, the Durban ICC joined forces with the Geness Foundation to host free Physics and Chemistry Revision Classes for Grade 12 public school learners in preparation for their year-end matric exams.

The Foundation secured seasoned matric teachers to provide the tuition and study materials at no cost to the learners and the Durban ICC sponsored the venue and furniture for the sessions. A total of 135 Grade 12 learners attended the classes hosted at the Durban ICC.

Santa Shoebox Appeal

In preparation for the year-end festivities, the Durban ICC threw its weight behind the Santa Shoebox Appeal project once again this year. The Project is an initiative that collects and distributes gifts to over 100 000 underprivileged children in orphanages, children's homes and care centres across South Africa and Namibia each year.

Members of the public pledge to prepare a shoebox, which contains items such as a toothbrush, toothpaste, soap, washcloth, educational supplies, a toy and an outfit of clothing.

The Durban ICC supported the initiative by sponsoring the venue at the Durban Exhibition Centre as the central collection point for the Durban Central boxes. Individual staff members also supported the project by pledging and preparing their own shoeboxes for the Durban drive.

Zodwa Blose Educational Trust

The Zodwa Blose Educational Trust was established to support the educational needs of children and schools in Durban. The trust holds an annual fundraising event to secure funds for projects such as the recent addition of two new classrooms for the Isikhwelo Primary School in Umlazi.

The Durban ICC supported this Trust by sponsoring the venue for their annual Fundraising Cocktail Dinner in November 2017.

Ethembeni HIV/AIDS Ministry

In December 2017, the Chaîne des Rôtisseurs KwaZulu-Natal region, in collaboration with the Durban ICC, chose to hold a Fundraising Event in the form of a Christmas Lunch and the proceeds from this event were donated to Ethembeni HIV/AIDS Ministry the KZN Midlands.

Ethembeni was established in November 2000 as a social outreach programme in the township of Mpophomeni, about 12km outside Howick. Today, this outreach has developed into an independent, registered non-profit organisation with programmes aimed at caring for sick and vulnerable adults and children affected and infected by HIV and AIDS.

The Durban ICC sponsored the venue, furniture and tent hire costs for the function which allowed a charitable donation of R20 000 to be made to the Ethemebeni HIV/AIDS Ministry.

Imbeleko Global Mentoring Walk

This year the Company commemorated International Women's Day by joining forces with the Imbeleko Foundation to participate in the annual Imbeleko Global Mentoring Walk. The Walk took place on the 10th of March through the KwaNyuswa Valley in the majestic Valley of a Thousand Hills.

The Imbeleko Foundation aims to provide a holistic empowerment experience to orphaned and vulnerable children in rural Valley of a Thousand Hills; encompassing academic support, a healthy lifestyle and social interaction.

The foundation currently provides full scholarships to 41 learners that have enrolled in historic KwaZulu-Natal boarding schools; 34 students enrolled in universities around the country and also provides After-School Programmes to 225 children enrolled in eight primary and high schools in the community. About 60 girls from all the various programmes participated in the Mentoring Walk as Mentees. A further 60 Professional Women from around KZN volunteered their time to participate as Mentors on the day - giving the girls exposure to their careers, stories, motivation and guidance about their own journeys.

The Global Mentoring Walk is an opportunity to highlight the importance of women's leadership, and to accelerate the impact of women leaders through mentoring. Organised by outstanding local leaders who are key members of the Vital Voices Global Leadership Network, the annual Mentoring Walk brought together established women leaders and emerging women leaders to walk together in their community.

In addition to participating in the Walk, the Durban ICC also sponsored the lunches and bottled water for the participants of the walk.

THE ROAD AHEAD

The year 2018, is a significant milestone for the Durban ICC as it marks 21 years of changing lives since it was officially opened by the late former President of South Africa Nelson Mandela in 1997.

This iconic facility, being the first ever built in the country, has hosted heads of state, royalty, captains of industry, international and local celebrities and sporting luminaries over the years.

Building on the legacy of a number of high-profile international events including COP-17 in 2011 (the second largest in history), the biggest-ever 21st International AIDS Conference in 2016, the 69th World News Media Congress, the International Society of City and Regional Planners Congress (ISOCARP) 2016, or the World Economic Forum on Africa, the Durban ICC has broadened the economic impact of the events and tourism sector through contributing to inclusive economic growth.

As such thousands of permanent and temporary jobs were created as a result of the Durban ICC's activities over the past financial year.

According to the South African National Convention Bureau, annually the international business events industry supports on average some 252 000 direct and indirect job equivalents in South Africa, and contributes over R115 billion annually to the country's Gross Domestic Product.

With this in mind, the Durban ICC has revised its business model and is committed to attracting meetings and conferences that will have long lasting impact through ensuring that the events we host drive economic growth and skills development in South Africa.

As such, the Durban ICC has strategically aligned its operation to the implementation of the country's National Development Plan (NDP). The realisation of Vision 2030 seeks to establish South Africa as a community that cares, where the needs of all its citizens can be met and poverty, inequality and unemployment are reduced.

The NDP is call to action for securing the future of South Africans as enshrined the country's Constitution and the Durban ICC is committed to playing a meaningful role to ensure the realisation of this vision.

Some of the key initiatives of the NDP are already being implemented by the Durban ICC such as ensuring transformation, youth and women development, job creation and contributing towards inclusive economic growth.

Looking ahead, we hope to continue contributing to economic growth and empowerment of local communities through the strong economic, environmental and social investments we are making.

I am confident that our contribution as the Durban ICC will continue to benefit the people of Durban, KwaZulu-Natal and South Africans in many more years to come.

CHAPTER FOUR: ORGANISATIONAL DEVELOPMENT PERFORMANCE (HUMAN RESOURCES)

4.1 INTRODUCTION

The Corporate & Human Resources Cluster of the eThekweni Municipality consists of the following four Units:

Human Resources, Organisational Development & Change Management, Occupational Health & the eThekweni Municipal Academy.

HR Units Mission

"The provision of an efficient, effective, and integrated HR Service that is responsive to the needs of the organisation and developmental of local government."

HR Units Strategic Intent

- Align Units Strategy to Business Needs & Requirements
- Align Units Strategy to Corporate & Human Resources Cluster Thematic Areas(DCM:C&HR- Dumisile Nene)
- Align HR Strategic Priorities to the Service Delivery Business Implementation Plan (SDBIP) and Integrated Development Plan (IDP)

HR Units Values

- Ethical conduct: the foundation of professionalism;
- Trust, integrity, confidentiality and discretion are essential to HRM;
- Fair presentation: the obligation to report truthfully and accurately;
- Due professional care: the application of diligence and judgment in HRM
- Risk-based approach;
- Customer Excellence

The HR Unit provides specialised HR services relating to Recruitment and Selection, Employee Relations Management, Pay and Leave Administration, Staff Administration, Grading and Remuneration / Compensation Management, Sick Leave Management, Employee Wellness, Rewards and Recognition Systems, Performance

Management Systems, Talent Management and Succession Planning, Scarce Skills Retention Initiatives, Policy Development & Administration, Organisational Diagnostics and Employment Equity.

The Corporate & Human Resources Cluster's functions and responsibilities address many of the IDP & SDBIP requirements to ensure effective service delivery and community development. These include raising the skills levels and development of employees; improving productivity, efficiency and effectiveness of the Municipality; and creating a positive organisational climate throughout the Municipality. The Human Resources staff complement is 520 posts on the structure and an Operating budget of R215 856 221, a Capital Budgets of R257 000, a Staff budget of R194 705 700 and an IT budget of R4 414 000 for the Unit.

2017/2018 KEY PRIORITY ROJECTS

1) Human Capital Metrics

Assessments Centers

- Assessment Centers have been established to provide for the requirements of the Municipal Systems Act, 2000 for the appointed of "Senior Managers" who must at least have the prescribed skills, expertise, competencies and qualifications. The Local Government Regulations also prescribes the requirement for potential Senior Managers to undergo psychometric and competency based assessments

Benchmarking and best practice research has revealed that the use of psychometric assessments in the recruitment and selection process has the greatest predictive validity of performance and provide the most cost effective and valid results.

The HR Unit's Recruitment and Retention Policy was developed in accordance with best practice research and stipulates that it will be compulsory for all posts from TK14 and above to undergo psychometric assessments as part of the recruitment and selection process.

Social Business (Attraction & Retention)

- The HR unit has employed LinkedIn to advertise all scarce skills positions, since utilizing the social media platform, the number of new members increased from 22000 to 65000 in just one year. LinkedIn operates on the internet and on mobile phone applications. Additionally, over 235 000 have familiarized themselves with the Municipality's profile, this indicates that the EM is gaining significant recognition through social media. Currently implementing content strategy, which will include messages from our leadership and information about the City to the public.
- Share-Point will be used for social networking and collaborating within the HR Unit and thereafter executed throughout all Clusters and Units. Currently the C&HR Events calendar has been implemented within the HR Unit, all secretaries were trained – SharePoint C&HR events calendar is fully functional and updated until June 2018.
- Another initiative introduced is BAMS (Business Alert Messages), currently birthday messages, promotions and work anniversary dates are forwarded to all employees within the HR Unit, congratulated by the Head HR. The birthday messages are also opened to employees from the Finance Cluster. The intent is to open BAMS to all employees within the Municipality. Project scope is underway to set up the C&HR Cluster.

Communication & Marketing Strategy

- A fully operational Communication and Marketing Strategy is maintained by the HR Unit, this includes communication to our internal and external fora. The channels of communication are through Brown Bag Sessions, HR Forums, Community of Practices, Corporate & HR Indaba, FAQ's and the HR Matters Newsletter.

Repositioning and Branding & Stakeholder Engagement

- Currently the HR Unit is sourcing a service provider to assist and guides the unit to implement its Reposition and Branding Strategy; this also includes the HR Units Stakeholder Engagement Framework. Repositioning and branding is one of the themes associated with the Corporate and HR Cluster's (C&HR) strategic intent. To reposition will mean changing our existing services with new approaches that will satisfy the needs of our internal and external clients or to create awareness of the various professional services that the Human Resources Unit offer.

Employee Induction

- Executive and Employee induction programs are fully implemented & effectiveness monitored. The HR Unit will be crafting an Onboarding Programme to assist all new employees. The purpose of an onboarding program is to develop within newly employed or transferred employees the necessary skills, knowledge and behaviours to become effective contributors to the organisation.

Employee Engagement (Siyalalela Campaign)

- The Siyalalela/Listening Sessions to address issues of Leadership, Communication, Values and Culture are to be held by Heads of Units with all staff and reported on bi-annually. This is to ensure open communication between staff and management.

Employee Wellness

- Employee Wellness refers to strategies that aim to ensure a safe and healthy work and social environment is created and maintained. This includes an individual commitment to wellness that enables employees to perform optimally while meeting health and safety legislative requirements and wellness good practices in support of the achievement of organisational objectives. Careways is employed to manage the organisations' Employee Assistance Programme. A successful employee wellness day was hosted for the Corporate and HR Cluster.

2) Talent Management

- Talent Identification, Development and Succession Planning Projects: These look at grooming and aspiring leadership at middle management and below. Characterised primarily by learning exchanges and development initiatives at multiple levels with the hope of widening its reach
- Talent Management Committees: To get these TMC's established, where required, and fully operational
- Attraction & Retention Strategy and Initiatives: To get this strategy implemented and effective.
- Succession Planning and Career Development: To fully integrate this into Talent Management
- Coaching and Mentoring: These workshops have been implemented and are working well
- Performance Management: This system has been fully implemented from TK 5 to 18 and a Team Based Performance Management system has been implemented for TK 05 & TK 06.
- Competencies are being reviewed and developed to be piloted in a few areas within intention to build these into gauging performance

3) Human Resources Management Information Systems (HRMIS)

- Integrating Resource Link (RL) Systems: All modules have now been configured for full integration. For the following modules, Talent Management & Performance Management & Skills, the pilot departments are Tourism and Pharmacy that will be tested via a parallel process. The Web Recruitment module has been stabilized and the upload of CV's will be the next phase of the process. The Housing Subsidy module is also on Resourcelink.
- Self Service across all levels of staff: My View has been rolled out to all staff with computers. For non-computer users – Pinetown computer Lab and Old Fort Computer Lab has been set up and is in use. The computer lab in Hambanathi and Umnini and Isipingo.
- Online Leave, all levels: Role out online leave to all computer users & conducting

“Voice of the Customer” surveys

- Time and Attendance: Roll out of further bio metrics readers as per the Project Plan.

4) Performance Management

- Performance Management Training for all new staff in TK5 to 18

5) Employment Equity

- Annual submission of the Department of Labour report & monitor implementation
- EE and Skills Development Committee to monitor & discuss progress on the EE Plan
- PWD committee to assess progress and develop PWD strategy & intervention
- Develop a Council wide Successive EE Plan 2018-2022
- EE Awareness programmes and workshops
- Diversity training for all portfolio committees and all stakeholders council wide
- Engage in conversation with currently employed women and PWDs
- Identify funded vacant positions to be filled by women & PWDs
- Develop the action plan of PWD working group
- Building assessments for PWD universal access
- Ongoing implementation of EE communications strategy
- Strategic focus on empowering women & PWDs
- Conduct ongoing change managements sessions

CHALLENGES & MITIGATIONS

Talent Management

- Competing demands and priorities of various stakeholders across a number of different functions: Talent Management is often overshadowed by operational requirements and attempts are being made to ensure this function is given the same status.
- Low leadership buy in is synonymous to the very low weightings allocated to Talent Management KPIs
- Cancellation and / or postponement of scheduled TMC meeting dates: Commitments are often cancelled due to operational requirements
- Organisational culture has not evolved to appreciate Talent Management. The

strategic senior influence has not been visible to support change management

- Talent reviews are not part of business imperatives and not included in the business calendar: Talent Management is not afforded the proper strategic importance
- Integration of Talent Management, Employment Equity, Recruitment and Performance Management: The integration of these functions will ensure the deployment of a holistic strategy towards a productive, secure and successful workforce

Human Resources Information System

- Roll-out of Self Service to employees who are not on Outlook: Low computer literacy levels, lack of email accounts for all staff and accessibility to computers
- Infrastructure readiness, to cater for document storage and upload of CV's
- All computer users need to be on IE10 web browser
- Capturers of ResourceLink need to use Chrome as their web browser
- Reporting is done outside of ResourceLink on Sequel, latency of data

Performance Management

- Generally staff are not keen to be performance managed: Steps are being taken to promote this system and to highlight the value thereof.
- In some instances rewards are seen as more important than outcomes: To promote the value and effectiveness of this system
- Compliance emerges dominant over compliance
- Existing Performance Management Policy is outdated with many gaps identified, hence an urgent need for review and approval of reviewed policy.

Employment Equity

CHALLENGES
Lack of skills for key positions
Major shortage of PWD and women with required skills and competencies
Disability Disclosure
Old buildings cannot accommodate PWDs
Unfilled vacancies
Shortage of skills
Delays in recruitment processes
Perception or lack of understanding Employment Equity
Cultural Mindset
Organisational Review
High number of NON Appointments
RECOMMENDATIIONS
To develop and deploy an effective integrated talent management system as above
To promote scarce skills development need in schools and tertiary institutions
Integration of Employment Equity with Talent Management, Skills Development, and Performance Management to ensure an holistic approach
Review the KPA of all HR managers and above.
CM to approve a bonus as an incentive in attaining the Units EE targets
Change management programme
Budget Allocation for PWD universal access.
Leadership diversity and inclusion sessions
In partnership with EMA and TM create empowerment of women through coaching and mentoring
Integrate EE with municipality Strategic objectives

Table 41: Challenges and recommendations

Human Capital Metrics

- Some projects are subject to the participation and availability of other role players outside of the HR Unit. A stakeholder engagement strategy is currently being developed to resolve the issues of dependability whereby service level agreements will be agreed upon between the HR Unit and the necessary role players.
- Poor compliance from Units with regards to assessments that are due for posts TK14 and above after each SVC has been distributed- SVC updates have been provided to HR personnel regarding posts that are due for assessments in their respective Units that they service on a fortnightly basis.
- Other OAP post not filled reduces capacity to deal with the requirements of the AC functionality and assessments at large- Management to provide a solution.

SUCSESSES & AWARDS RECEIVED

- 1) Talent Management – Roll out of Phase 2 of the Coaching and Mentoring Programme.
- 2) Performance Management implemented throughout to all eThekwin Municipality grades (2-18)
- 3) Developed a Council Wide Employment Equity Plan and Top award for Transformation & Gender Equity
- 4) Launch on inaugural Youth Career Expo 2018018
- 5) Self-service sites for the public and employees established
- 6) Council wide employee induction video developed

Social Business (Attraction & Retention)

- Business Alert Messages (BAM) was introduced successfully utilising the Human Resources Information System (HRMIS). Automated messages were forwarded from the Head of HR to all employees celebrating their birthdays, promotions and work anniversary within the HR Unit.

- Share-Point C&HR Events Calendar introduced to the HR Unit
- Internal HR Dashboard built for the HR Unit by IMU
- Social Media Advertising Platform: LinkedIn: Scarce skill vacancies were advertised through the social media platform, there is a significant increase in LinkedIn vacancy applications.
- Development of the electronic job application form for LinkedIn jobs

Communication and Marketing

- HR Matters (internal magazine and FAQ's) distributed to all within the HR Unit
- Successful HR Forums and Workshops were hosted in all quarters for the 2017/2018 financial year
- DCM Corporate & Human Resources hosted successful roadshow with the Corporate and HR Cluster
- Head HR hosted Youth Focus Group workshop in April 2018 – Youth group established
- DCM Corporate & HR hosted 5th Annual Corporate and HR Indaba

Assessment Centre

- In terms of the Municipal Systems Act (2000), assessments have been done through obtaining the services of appointed COGTA assessment service provider for DCM: Human Settlements, Engineering and Transport Authority.
- Administered, scored, interpreted and provided an advisory service and feedback on 26 occupational assessments to Line, HR and candidates.
- Provided input into the development of a new work sample for Line.
- Maintained effective operational functioning of the AC and related equipment
- Effective records management and security of assessment results within shelf life.
- Use of assessments has generated greater objectivity in decision-making for selection purposes.

Employee Engagement (Siyalalela Campaign)

- Hosted two City Manager Siyalalela Sessions with Water & Sanitation and the Electricity Unit.
- HR Indaba hosted by Head HR in May 2018

SUCSESSES

- 1) HR Dashboard finalised by IMU to implement within C&HR Cluster (R&OD)
- 2) C&HR Events Calendar finalised and now connected to all secretaries within the HR Unit (R&OD)
- 3) There is a significant increase in LinkedIn vacancies (R&OD) and Human Settlements/ETA/Trading Services
- 4) Currently registering HR Practitioners on SABPP (R&OD and Talent Management)
- 5) Benchmarked with Umhlathuze Municipality and presented the EM HR Strategic Priorities
- 6) Management Staff attended the Corporate Communication Conference in Gauteng - *Internal Communication is a key strategic driver to hold an organisation together*

4.2 EMPLOYEES

The Municipality has embarked on an ongoing extensive campaign to fill its funded critical & vacant posts. Every effort is being made to ensure that all funded critical & vacant posts are being filled to optimize effective service delivery at all levels. Good progress has been made, however it should be noted however that in view of the normal process of natural attrition (labour turnover) there will at all times be a certain number of vacancies in the organisation which is unavoidable.

Employees as at 30th June 2018 (Funded Permanent Posts)				
	2017/2018			
Description	Funded Posts	Employees	Funded Vacancies	Vacancies
	No.	No.	No.	%
Water (Water & Sanitation)	3901	3563	338	8.67 %
Waste Water (Sanitation)				
Electricity	3179	2566	613	19.28 %
Waste Management (Cleansing & Solid Waste)	2351	2240	111	4.72%
Housing	501	466	35	6.99%
Waste Water (Stormwater Drainage) (Coastal Stormwater)	1602	1335	267	16.67%
Roads (Roads Provision)	245	195	50	20.41%
Transport (Transport Authority)	196	176	20	10.20%
Planning (Development Planning)	125	117	8	6.4%
Local Economic Development (Economic Development & Investment Promotion)	49	47	2	4.08%
Community & Social Services (Parks, Leisure & Cemeteries)	3791	3444	347	9.15%
Environmental Protection	41	40	1	2.44%
Health	1582	1349	233	14.73%
Security and Safety	3796	3517	279	7.35%
Sport and Recreation (Sports & Development)	19	18	1	5.26%
Corporate Policy Offices and Other (Corporate & Human Resources, Governance & Office of the City Manager)	6076	5170	906	14.91%
Totals	27454	24243	3211	11.70 %

Table 42: Funded Permanent Posts

4.3 MANAGING THE MUNICIPAL WORKFORCE

The Municipal Systems Act of 2000, Section 67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair, efficient, effective, and transparent personnel administration in accordance with the Employment Equity Act of 1998.

Turn-over Rate	Appointments as of beginning of Financial Year	Total number of employees who occupied posts at the beginning of the year	Terminations during the Financial Year	
Details				
	No.	No.	No.	
2013/2014	2432	23209	810	3.49%
2014/2015	1880	21721	1060	4.88%
2015/2016	2900	21266	821	3.86%
2016/2017	4372	24862	641	2.58%
2017/2018	2626	25802	556	2.15%

*Note: * Posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made).*

** Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year*

The under mentioned table was submitted for inclusion in plan 5 of the IDP report

EThekwini Municipality Employment Policies Branch HR Unit Status Report As At 30 September 2018				
Policies				
	Name of Policy	Completed %	Reviewed %	Date adopted by Council or Comment on failure to adopt
1	Recruitment & Selection Policy	100%	100%	Adopted By Council
2	Attraction and Retention	100%	100%	10-Mar-06
3	Code of Conduct for employees	100%	100%	19-Sep-01
4	Delegations, Authorisation & Responsibility	100%	100%	Adopted by Council on the 25 th February 2015.
5	Disciplinary Code and Procedures	100%	100%	1 February 2018
6	Essential Services	100%	100%	30 June 1997, 17 Nov 2008 (as amended)
7	Employee Assistance/Wellness/ Substance Abuse	100%	90%	Policy Review Pending Council approval
8	Employment Equity	100%	90%	Adopted by Council 4 December 2014, review underway, Pending Approval
9	Exit Management	100%	100%	5-Jul-05
10	Grievance Procedures	100%	100%	1 February 2018
11	HIV/Aids	100%	100%	14-Nov-01
12	Information Technology	100%	100%	24-Aug-07
13	Job Evaluation	100%	100%	23 Feb 2017
14	Leave	100%	100%	1-Jan-04
15	Occupational Health and Safety	100%	100%	Comply with Act
16	Official transport to attend Funerals	100%	100%	18/04/2011
17	Official Working Hours and Overtime	100%	100%	1 Jan 2004 & 1 July 2007 (as amended)
18	Organisational Rights	100%	100%	25-Apr-05

19	Payroll Deductions	100%	100%	3-Apr-04
20	Performance Management Policy	100%	90%	Adopted By DCM Forum May- 2013, currently under review, Pending Council
21	Remuneration Scales and Allowances	100%	100%	1-Apr-10
22	Sexual Harassment	100%	90%	4 th December 2014 , Currently under review
23	Skills Development	100%	100%	Comply with Act
24	Smoking	100%	100%	CM Circular 31/2001
25	Scarce Skills	100%	100%	Adopted By Council 23/02/2017
26	Uniforms and Protective Clothing	100%	100%	3-Jun-91
27	AARTO	100%	90%	Pending National Promulgation
28	Employee Parking Policy	100%	100	DCM Forum 29/09/2010
29	Talent Management	100%	90%	15-Sep-10, Under Review , Pending Approval Approval
30	Dress Code Guidelines	100%	90%	2-Aug-10 Under Review , Pending Approval
31	Ex-gratia Compensation for loss of Personal effects	100%	100%	2-Aug-10
32	Incapacity Management Policy & Procedures/ Ill Health/ Injury	100%	100%	25-Apr-06
33	Guidelines on Secondment & Transfers	100%	100%	10-Sep-07
34	Re-Imbursive Locomotion Allowance	100%	100%	1999 Scheme
35	Notching on Appointment	100%	90%	DCM Forum 19/07/2010, Under Review pending approval
36	Rewards & Recognition Policy Review	100%	100%	Approved July 2018. Pending Implementation
37	Cellular Telephone Policy	100%	90%	DCM Forum 31/05/2010 Review underway, Pending Approval
38	PRDP Policy Review	100%	100%	CM Circular 2/2003

Table 43: Employment Policies

Highly Skilled and Management Vacancies as at 30 June 2018 (Funded Permanent Posts)			
Designations	*Total Approved Posts No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	0	0%
CFO	1	0	0%
Other S57 Managers (excluding Finance Posts)	6	1	16.67%
Other S57 Managers (Finance posts)	1	0	0%
Police officers	1769	83	4.69 %
Fire fighters	519	19	3.66 %
Senior management: TK 16-18 (excluding Finance Posts)	429	75	17.58%
Senior management: TK 16-18 (Finance Post)	37	10	27.03%
Managerial: TK 14-15 (excluding Finance Posts)	983	168	17.09 %
Managerial: TK 14-15 (Finance posts)	103	28	27.18 %
Highly skilled supervision: TK 11-13 (excluding Finance posts)	3436	493	14.35 %
Highly skilled supervision: TK 11-13 (Finance posts)	320	60	18.75 %
Total	7605	937	12.32%

Table 44: Highly Skilled and Management Vacancies

FUTURE FOCUS 2018/2019

1. Human Capital Metrics

Provide accurate, valid and reliable human capital metrics, analysis and recommendations

Assessments Centers:

- Provide a quality psychometric and work sample assessment service to improve the quality of decision making with regards to selection of job applicants as per the HR Unit's Recruitment and Retention Policy which was developed in accordance with best practice research and stipulates that it will be compulsory for all posts from TK14 and above to undergo psychometric assessments as part of the recruitment and selection process. Assessments roadshows/activities to be held annually to raise awareness on the fairness and benefits of assessments

Social Business (Attraction & Retention)

- The intention for 2018/2019 is to increase the span of social business / social media. This will mean opening BAMS and Share-Point to most of the organisations after a successful roll-out.
- The development of the electronic job application through LinkedIn will increase candidates applying for positions within the scarce skills area
- The implementation of the Content Strategy for LinkedIn via Communications Unit
- The implementation of a Job Posting Strategy within LinkedIn

Communication & Marketing Strategy

- To filter and channel the HR Units Communication & Marketing Strategy further into the Unit and with all other business partners and the introduction of Share- Point for internal communication and social business. All Units with the Corporate and HR Cluster to integrate communication plans.

Repositioning and Branding & Stakeholder Engagement

- To implement the units Repositioning and Branding Strategy, this also includes the HR Units Stakeholder Engagement Framework. Also to introduce HR Business Partnering and HR Professionalism. The continue registering our HR Practitioners with professional bodies such as SABPP and SAPA. HR practitioners to undergo SABPP National HR Standards Training and to implement the first SABPP HR Audit by end of 2018/2019.

Employee Induction

- The HR Unit will be crafting an Onboarding Programme to assist all new and transferred employees.

Talent Management

- Talent Management Policy to go through a full consultative process to adoption stage
- Re-launch of Talent Identification , development and succession
- Talent Identification, Development and Succession Planning Pilot Project
- Talent Management Committees: The establishment of fully operational and effective TMCs
- Attraction & Retention Strategy and Initiatives: The implementation of a fully integrated strategy to ensure an effective function
- Coaching and Mentoring: the final year of Phase 2 is complete this training to all levels of management within this year
- Integration of Talent Management, Skills development, Employment Equity, Recruitment and Performance Management
- Job competency profiling of job families is underway and working group is establish to steer the project

HRMIS

- Integrating Resource Link (RL) Systems: All modules have now been configured for full integration. As the system cannot cater for MSCOA requirements, a due diligence report has been completed and submitted to IMU.
- Self Service across all levels of staff: My View has been rolled out to all staff with computers. For non-computer users – Pinetown computer Lab and Old Fort Computer Lab are fully functional. The computer lab in Hambanathi and Umnini will be opened within the next 6 months.
- Online Leave: Online leave has been rolled out to all computer users & conducting “Voice of the Customer” surveys and refresher trainings . All Parks depot clerks being trained to capture on core for non-computer users.
- Time and Attendance: Roll out of further bio metrics readers as per the Project Plan.

Performance Management

- Performance Management Training for all new staff and refreshers
- Increase electronic reliance for Performance Management activity and monitoring
- Performance Management end-to-end (one stop shop)
- Performance Management policy review consultations and approval Employment Equity

Employment Equity

- EE Awareness Programme: Training workshops and Road Shows to all employees: **ongoing**
- Diversity Training: Training is currently taking place
- Women and PWD Empowerment: Women empowerment leadership workshops have been completed on the 9th and 15th of June 2017
- EE Communication Strategy: The roll out of this strategy: **Ongoing**
- EE Compliance (DOL): Roadshows to share the EE Compliance and submission of the annual report as required: **Ongoing**
- Reduction of Council Vacancies: To strategize the effective filling of vacancies and to drastically reduce the number of funded vacancies.

- Employee Wellness: The rollout of the new service provider and monitoring effectiveness

4.4 ORGANIZATIONAL DEVELOPMENT AND CHANGE MANAGEMENT

- a) To provide productivity improvement and organizational development services to eThekweni Municipality in order to render effective and efficient services, thereby ensuring improved service delivery.

Function of the Unit

Is to develop and implement productivity improvement techniques/ systems, Monitor and evaluate productivity improvement services / interventions; Monitor productivity to determine and administer incentive bonus schemes; provide office automation service throughout the Municipality

Develop Change Management interventions and tools for embracing and enhancing the attainment of desired project outputs, outcomes and impact; Undertake Business Process Management interventions, provide Wastage Elimination interventions Provide Cost containment measures Undertake Organisational Design interventions Provide office automation service throughout the Municipality

2017/2018 KEY PRIORITY PROGRAMMES/PROJECTS

Productivity Improvement:

Conducted the assessment of vehicle utilization at Metro Police Unit. Conducted Work Study within the Human Resources Department of the Durban International Convention Centre to examine and analyse workloads and recommend a suitable structure to deliver the required outputs.

Business Process Mapping:

Documented the AS-IS business processes of the Architecture Department under the Engineering Unit. The intervention emanated from the Operations Management meeting due to the fact that various units were complaining about their capital spends. The aim of

the project was to identify the bottlenecks and develop a TO-BE process that will assist the service units in delivering services according to the scheduled timelines.

The unit also documented the AS-IS business processes of the Customer Services and Complaints in all front line offices of the eThekweni Municipality that has interactions with external customers. The aim of the projects was to identify and develop a TO-BE process that will assist the customer in receiving better service.

Change Management

Developed and published the City Manager's Value, organizational culture and ethics (VOICE) circular. Change Management strategies and intervention are conducted via the following major projects, that is, Revenue Management System (RMS), Resource Link (RL), JD Edwards Upgrade) JDE E1), Standard Chart of Accounts (mSCOA), MetricStream and eProcurement.

Facilitated empowerment and capacity enhancement programmes for various clusters. The following programmes were conducted on an on-going basis:

1. Diversity Management training workshops
2. Team Cohesion and Effectiveness programmes
3. Change Management
4. Strategy Formulation Workshop

Wastage Elimination

Reduced wastage on the following key areas: Consultants, Overtime, Printers utilisation, Events and Vehicle utilisation. This was mainly to give effect to the cost containment measures announced as a national imperative, but also to ensure that there is an efficient and effective utilisation of council resources.

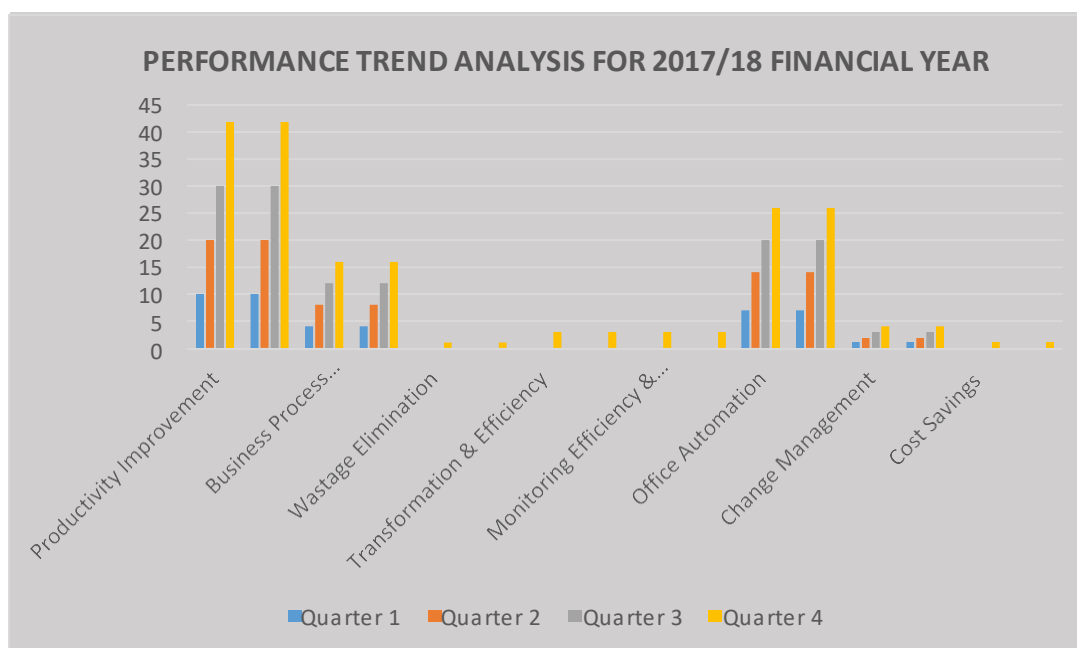
Institutional Review

Finalised the investigation regarding the location of Agri-Park Department within the Business Support Unit as well as the creation of Catalitic Project Unit under Economic Development Planning Cluster. The unit also created the Agro-Ecology Unit under the Community Services Cluster. Furthermore, the unit finalized the location of Performance Monitoring and Evaluation Unit within the structure of eThekweni Municipality. Majority of

the unit structures were given the go-ahead at the SMC (formerly DCMF) and are now at the various consultation stages before EXCO approval.

Organizational Transformation and efficiency

Conducted a stock taking of the existing service level agreements (SLA's) throughout eThekweni Municipality. This involved conducting an intervention regarding the quality assessment and standardization of existing service level agreements of all units throughout the eThekweni Municipality.



Graph 1: The projects are as per 2017/18 ODCM SDBIP and comprise of the strategic focus areas of the Unit, in alignment to Plan 5 of the IDP.

Figure 166: Performance Trend Analysis

CHALLENGES

- Resources: The unit is unable to cover the entire municipality effectively, to improve productivity and efficiency.
- Projects implementation: Non-implementation of recommendations resultant from our projects by Clusters/Units

MITIGATIONS

- The new unit structure has been developed through the institutional review process.
Business partnering with line imbedded in the new unit structure.
- A new monitoring and quality assurance tool has been developed by the Unit to ensure that all unit's projects are implemented timeously.
- The unit is looking at the strategic positioning that will facilitate effective and efficient decision making by the leadership.

SUCSESSES AND AWARDS RECEIVED

The unit continues to be recognized at high level municipality forums as it was identified as the best practice for Organisational Development and Change Management among KZN municipalities during the profiling exercise conducted by SALGA. Currently participating in the KZN Municipalities Peer Learning Forum.

The unit was project managing the integration of Customer Services intervention which eventually won a bronze award for the 2017/18 Premier's Service excellence Awards.

Development and approval of Catalytic Project and Agro-Ecology Units that obtained council's approval.

Unit was identified as the best practice for Organisational Development and Change Management among KZN municipalities.

Unit is able to consistently investigate and report on wastage and inefficiency within the municipality whilst at the same time demonstrating tremendous innovations to continually improve service delivery.

FUTURE FOCUS (2018/19)

The Organizational Development and Change Management Unit has been assigned to undertake a number of interventions at the various depots within the eThekweni Municipality with a view to initiate innovative ideas that will result in achieving efficiency

and effectiveness and ultimately improved service delivery. The purpose of this intervention is to conduct a holistic organizational development and productivity improvement services for various depots with a view to provide appropriate advice to service units.

The interventions to be undertaken will include the following: -

Work Measurement: Conduct work measurement intervention by applying techniques designed to establish the time for a qualified worker to carry out the specific job at a defined level of performance.

Productivity Improvement: Work Study intervention undertaken for the effective and efficient use of machinery, manpower and materials in order to eliminate any wastage, bottlenecks and unnecessary activities.

Business Process Re-engineering: Define how work is done and coordinated (AS-IS process) and undertake operational reviews by re-engineering the process under investigation (TO-BE process).

Wastage Elimination: Provide specialist advice on wastage elimination by conducting investigations to ensure effective utilization of Council's resources and elimination of waste

Procedures and Methods: Design and plan new work flow processes, procedures and methods, by systematically recording the existing and proposed ways of doing work at the lowest possible cost and reduced time.

Change Management: Apply approaches to prepare and support individuals, teams and organizations in making organizational change.

4.5 CAPACITATING THE MUNICIPAL WORKFORCE

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
The academy has numerous programmes and projects planned for 2018/19 aligned towards achieving its strategic outputs as outlined above				
Implement and maintain programmes to provide access to Learnerships, Skills programmes, Apprentice-ships & Scarce Skills for the unemployed members of the community	9 interventions	11 Interventions	13 Interventions	13 Interventions:
Provide Occupational Skills Programme for employees who are at the lower band of NQF Level 1 a) Plumbing b) Bricklaying c) Driver Training d) Computer Training 1-2, e) First Aid Training 1 f) Construction Roadworks g) Carpentry	7 Programmes Implemented	7 Programmes Implemented	7 Programmes Implemented	7 Programmes Implemented
Implement worker skills development, learning and development programmes as per the Workplace Skills Plan	40%	60%	80%	100%
Maintain programmes to provide access to Inservice Training, Internships and Work Experience	3	3	3	3

Facilitate the provision of Learning and Development Programmes in the following learning Areas a) English Literacy, b) IsiZulu for non IsiZulu Speakers, c) Sign Language, d) Amended Senior Certificate, e) Programme Assessments and Placement f) Numeracy Level 1-2 (AET)	6 programmes established and maintained annually	3 programmes established and maintained	4 programmes established and maintained	6 programmes established and maintained
Facilitate and co-ordinate the Workplace Skills Plan (WSP) and Annual Training Reports (ATR) in the municipality	30	50	95	100
Coordinate capacity building initiatives for community based programmes.	1	3	4	5
Implement ward committee governance capacity enhancement programme.	25%	30%	50%	75%
Support and Participate in career expos.	2	4	7	9
Implement and maintain Bursary Scheme	0	25%	50%	80%

4.6 OCCUPATIONAL HEALTH AND SAFETY UNIT

Occupational Health and Safety is the promotion and maintenance of the highest degree of physical, mental and social well-being of workers in all occupations by preventing departures from health, controlling risks and the adaptation of work to people, and people to their jobs (International Labour Organization / World Health Organization 1950)

Objectives

- a) To ensure compliance with health and safety legislation;
- b) To ensure creation of a safe and health-promoting work environment,
- c) To foster prevention of accidents and injuries and facilitate effective behavior change for better health and safety within the target worker population.

The Occupational Health and Safety Unit is the health and safety surveillance of the work environment, identification and assessment of health hazards, surveillance of employee's health in relation to work, the prevention of work related illness, the promotion of health and psycho-social well-being of employees, individually and collectively and in accordance with the highest professional standards and ethical principles.

The Occupational Health and Safety Unit conducts several programmes that focused on employee safety and health and workplace hygiene, including additional programmes such as the implementation of the workplace HIV/ AIDS wellness programme which is unique to the needs and requirements of eThekweni Municipality.

2017/2018 KEY PRIORITY PROGRAMMES

In line with the above, Occupational Health and Safety Unit achieved more than 100% of targets set for most programmes planned for the year. Compliance was achieved in respect of the major programmes, that is, medical surveillance, health risk assessments, HIV counselling and testing programme, wellness programme, peer educator, safety audits, safety training and safety inspections and comprehensive safety interventions to reduce the disabling injury frequency (DIFR) Rate relevant to injuries on Duty.

OHS UNIT PROGRAMMES	TARGET	ACHIEVEMENTS
Occupational Health Medicals Surveillance Programme	11 000	11882
Wellness Programme	100	157
HIV Counselling and Testing Programme	100	141
Training of Peer Educator	80	84
Occupational Hygiene Surveys	155	159
Health and Safety Inspections and Surveys	736	1103
Health and Safety Audits	370	370
Training of Contractors	200	277

Table 45: Occupational Health Medical Surveillance Programme

Medical surveillance is implemented to ensure legal compliance (as per the Occupational Health and Safety Act), to detect deviations in health early and to limit health and safety risks. The programme was undertaken as per set medical surveillance plans and was risk-based.

Included in the programme were pre-placement medical examinations, periodic, exit and transfer medical examinations, immunizations, biological monitoring, fit for work assessments, incapacity assessments, occupational disease reviews and medical investigations. The annual target for medical surveillance programme was 11,000 interventions. This year, 11 882 medical surveillance examinations completed.

The achievement exceeded the target for the year due to higher numbers of pre-placement medicals that were completed for recruits in the Metro Police and Fire departments.

Two occupational disease cases viz. Noise induced hearing loss and occupationally acquired Tuberculosis were identified and reported to the Compensation Commissioner as per the Compensation for Occupational Diseases and Injuries Act 1997 requirements.

Wellness Programmes

The Wellness programme encompassed health screening for chronic diseases such as diabetes, hypertension and heart disease. Employees were offered tests including blood sugar, blood pressure, body mass index and random cholesterol. Wellness day attendees were sensitized to health risks and healthy lifestyles. Elevated random blood sugar and blood pressure may be associated with higher risk for diabetes, hypertension and heart disease.

The annual target as per business plan was 100 wellness programmes. The wellness programmes included large mass wellness days and depot/ departmental wellness days. One hundred and fifty-seven (157) wellness programmes were completed. The overachievement was due to accommodating requests for depot and departmental based wellness events from client units.

A total of 6493 employees had health screening tests during wellness days. Of those screened on wellness days, 1164 (18%) employees had elevated blood pressure and 1605 (25 %) had elevated blood sugar. These employees were counseled and referred for follow up

HIV Counselling and Testing (HCT) Programmes

The annual target as per business plan was 100 HCT programmes. This year, 141 mass and departmental HCT programmes were completed.

The numbers of HCT campaigns were higher than expected, due to higher demand for depot and departmental based HCT campaigns from client units. The units covered included Water and Sanitation, Engineering, Electricity Unit, Cleansing and Solid Waste, Corporate and Human Resources Cluster, Libraries and Parks.

1711 employees tested for HIV this year of which 83 (5 % of those tested) tested positive for HIV. All employees testing positive were extensively counseled and managed as per protocol.

Twenty-five (25) employees sustained needle-stick injuries/ occupational exposure (NSI) to blood during the course of their work and reported to the Occupational Health and Safety Unit this year. All were managed as per the standardized needle-stick injury protocol. The majority of NSI cases arose from City health clinics with fewer arising from Cleansing and Solid waste.

On the 30th of November 2017, the Occupational Health and Safety Unit collaborated with the Interdepartmental AIDS Forum (IDAFO) and Centre for AIDS Prevention Research of South Africa (CAPRISA) to render a successful and well-attended World Aids Day commemorative event and peer educator graduation function in Durban exhibition Centre.

Peer Education Training

The annual target as per business plan was to train 80 Peer educators. This year 84 Peer educators were trained. Newly recruited peer educators were trained. Refresher training on HIV and Tuberculosis was conducted for wellness champions and trained peer educators.

Occupational Hygiene Surveys

The annual target for baseline occupational hygiene risk assessments was 155 surveys. This year 159 surveys were completed. Of the 159, 102 were Approved Inspection Authority (AIA) surveys. Overachievement was due to conducting additional indoor air quality (IAQ) and ergonomic surveys to address occupational hygiene issues that arose during the year.

Based on the findings of the surveys, action plans were developed to assist the various client units to plan and implement the recommended measures. This is aimed at addressing the risks identified.

Health and Safety Inspections and Surveys

In order to prevent accidents and incidents from happening, workplaces are to be monitored continuously on an on-going basis. This pro-active approach which has been adopted and implemented by OHS Unit, has helped in identifying hazards in the workplace which has resulted in reduction of workplace injuries.

The annual target for Health and Safety Inspections was 736 and 1 103 were completed. The reason for over-achieving on this programme was that over and above the set target, Line Management and labour made special requests for these to be done for various reasons. Furthermore, most unsafe acts and unsafe conditions which has caused incidents in the workplace, unplanned inspections and surveys had to be conducted. Additional human resources also contributed to the overachievement.

Health and Safety Inspections were conducted in units such as Cleansing and Solid Waste, Water and Sanitation, Roads and Storm water, Sizakala Centres, City Fleet, Legal Services, Real Estate, Supply Chain Management, Parks, Recreation and Culture, Durban Tourism, Economic Development etc. to ensure legal compliance.

Health and Safety Auditing

Health and Safety auditing examines each stages in the Safety, Health and Environmental Management System by measuring compliance with the controls the organisation has developed, with the ultimate aim of assessing their effectiveness and their validity for the future.

The fourth quarter target for Health and Safety Auditing was 370 and 370 were completed. This was to ascertain the level of compliance with Council Health and Safety Management system.

Baseline, legal and systems compliance audits were conducted in units such as Parks, Recreation and Culture, Human Settlements, Roads Provision, Inter-Governmental Relations, City Fleet, Human Settlements, Water and Sanitation, etc.

Training of Contractors

Small contractors are also expected to comply with legislation in particular with Construction Regulation of Occupational Health and Safety Act. Considering that they don't have capacity, we have taken upon ourselves to train them in basic principles of Occupational Health and Safety in particular those who are involved in Council construction local based projects.

The fourth quarter target for this financial year end is 200. Emerging contractors trained during this period were 277. Due to large number of projects within communities in this financial year, a large number of contractors were engaged and trained on Occupational Health and Safety Act and its regulations with specific reference to Construction Regulation. Therefore, more contractors were trained than what was anticipated initially as set target. Construction Safety has been one of the priorities to these contractors in order to prevent injuries on construction sites.

This means that the total cost to Council as a result to injuries on duty has reduced to minimal and disabling injury frequency (DIFR) was reduced to 0.89. There has been a great improvement in compliance with eThekweni Safety, Health and Environment Management System, Occupational Health and Safety Act and other health and safety related regulations. This means that these proactive interventions that have been continuously implemented in the workplace, are making a difference.

SUCSESSES AND AWARDS

World AIDS Day/Peer educator graduation

On the 30th of November 2017, the Occupational Health and Safety Unit collaborated with the Interdepartmental AIDS Forum (IDAFO) and Centre for AIDS Prevention Research of South Africa (CAPRISA) to render a successful and well-attended World Aids Day commemorative event and peer educator graduation function in Durban exhibition centre.



Figure 167: World Aids Day

Health screening for Corporate & HR wellness

Occupational Health and Safety unit provided health screening for Corporate & Human Resources mass wellness event which was held on the 27th of March 2018 in Durban Exhibition Centre.

Management Seminar

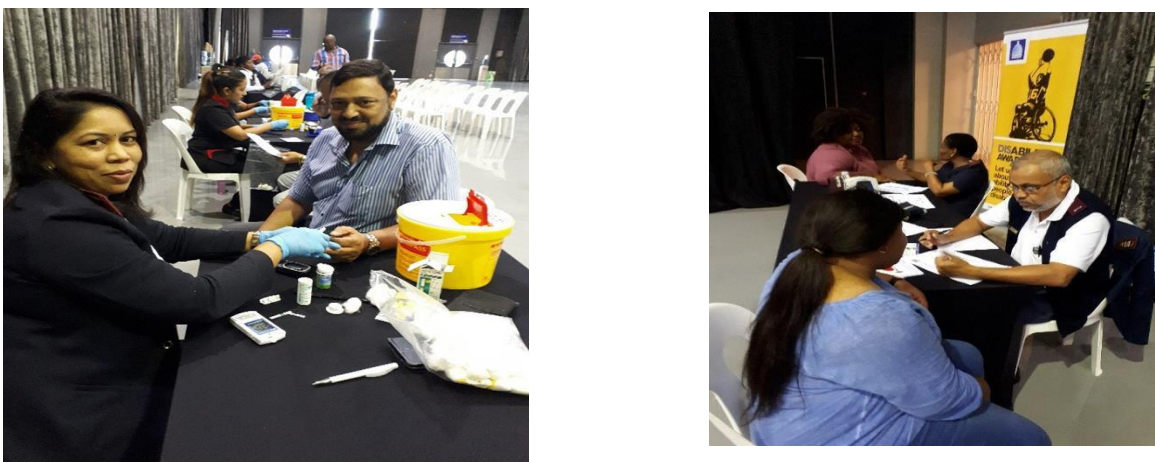


Figure 168: Health Screening

On the 25th of April 2018, the Occupational Health and Safety Unit in collaboration with MILE coordinated a management seminar for senior management of the City on Health and safety legal responsibility in Moses Mabhida Stadium. Our guest speakers included Chief Executive Officer Mr. Dave Manju of Umnotho Enterprise and Director: Occupational Health and Safety (Department of Labour) Mr Phumi Maphaha.

Job observation

Safety officers constantly monitor high risk jobs (job observation) in order to ensure that safe operating procedures are being followed for employees' health and safety.



Figure 169: Risk assessments and safe work procedures

Risk assessments and Safe work procedures

Safety officers conducted risk assessments and developed safe work procedures for these projects (Sarnia Road rehabilitation project, Sand pumping /Beach rehabilitation project) to ensure compliance to health and safety legislation.



Figure 170: Road rehabilitation project

2018/2019 FUTURE FOCUS

The future focus for Occupational Health and Safety Unit is to continue building on our achievements and striving towards service excellence and below are some of 2017/18 focus:

- New Occupational Health clinic in Caneside Phoenix phase 2
- Registration of Safety officers with South African Council for Projects Construction Management Professions to comply with Construction Regulation.

CHAPTER FIVE: FINANCIAL PERFORMANCE

5.1 INTRODUCTION

The Municipality received an unqualified audit report for the financial year 2017/18. The Municipality continues to be in a strong financial position underpinned mainly by a good cash collection and cost coverage rate, growth in revenue, moderate gearing, and strong liquidity.

The Municipality managed to improve its investment grade credit rating from AA to AA+ in the long term and maintained its short term credit rating of A1+ with a stable outlook. The long-term rating means that the Municipality has a very high credit quality, protection factors are very strong and that the Municipality is able to afford external borrowings to fund capital expenditure if the need arises. The short-term rating means that the Municipality has the highest certainty of timely payment, short-term liquidity, including internal operating factors. Access to alternative sources of funding is high and risk factors are extremely low.

5.2 EXPENDITURE

Total expenditure grew by 7.89% in 2017/18 from the previous financial year. Over the past four financial years, both the actual cash inflows and outflows have exceeded the budget. In the case of cash inflows in Figure 1, the increased inflows is encouraging. However, the cash outflows in Figure 2 indicates that the Municipality is spending more than budgeted which will require more cash resources and may erode existing cash reserves.

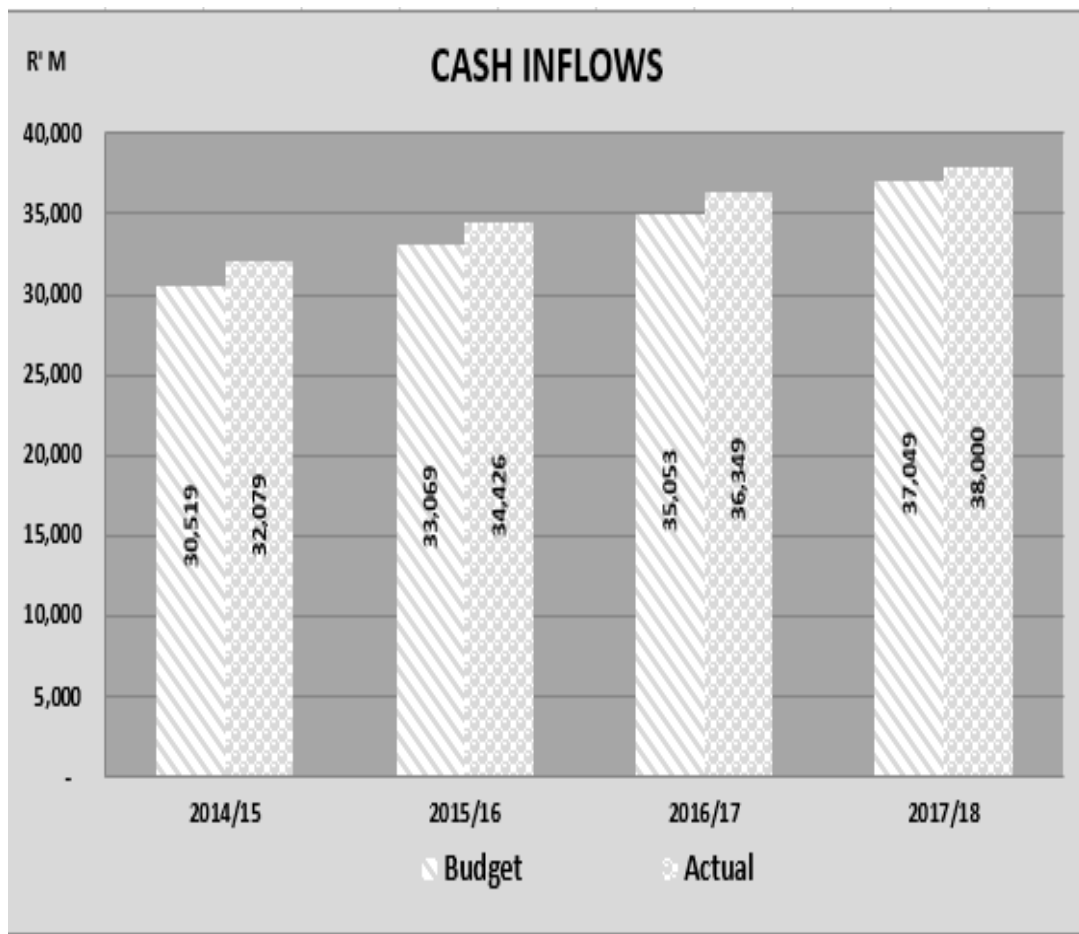


Figure 171: Cash flows

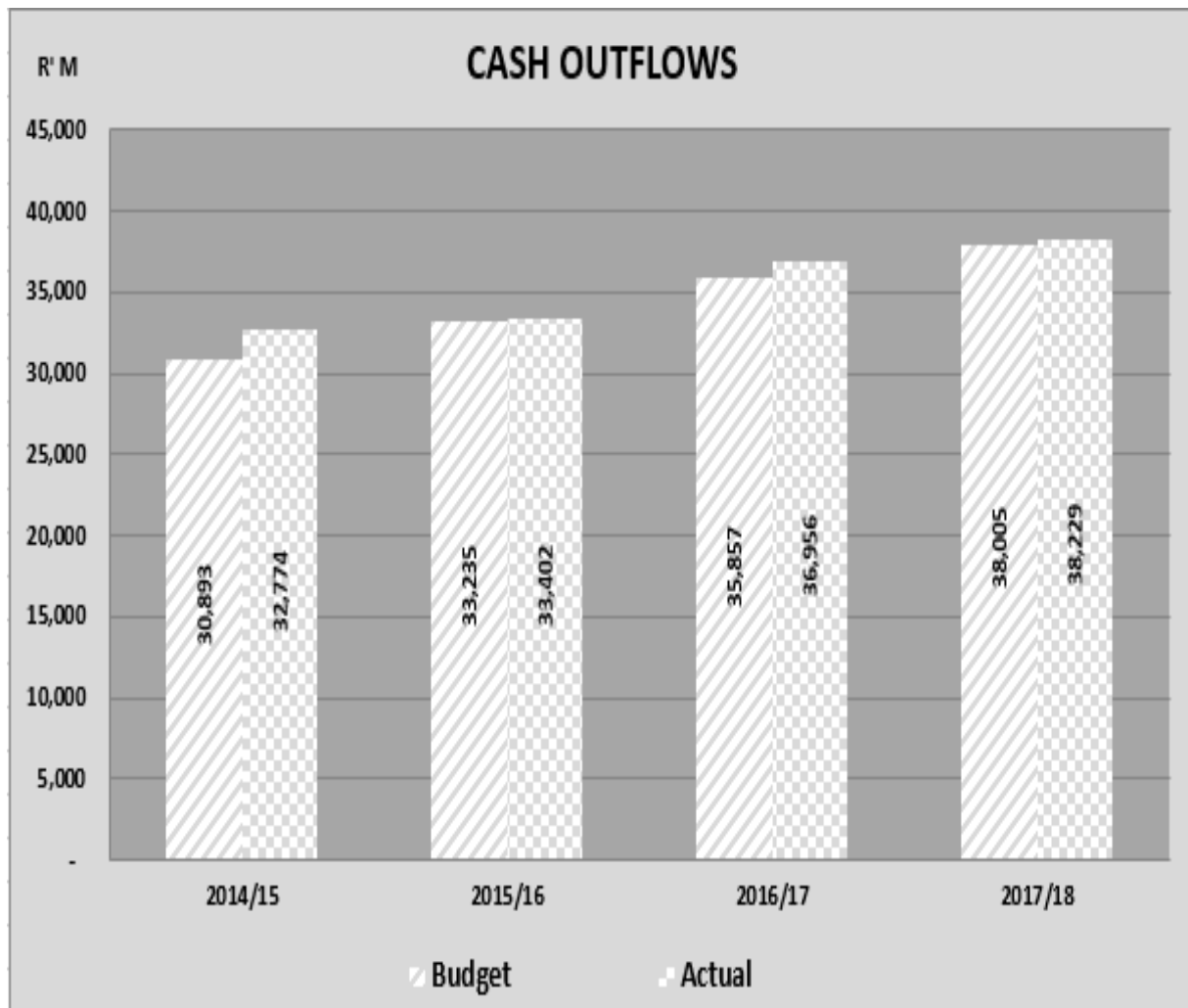


Figure 172: Cash Outflows

The trend over the past 4 years, except for 2016/17 financial year, the cash inflows have been lower than expenditure, as depicted in figure 3 below. The growing gap between the cash inflows and outflows has also resulted in the decline in the total cash on hand and the days cash on hand, depicted in figure 4.

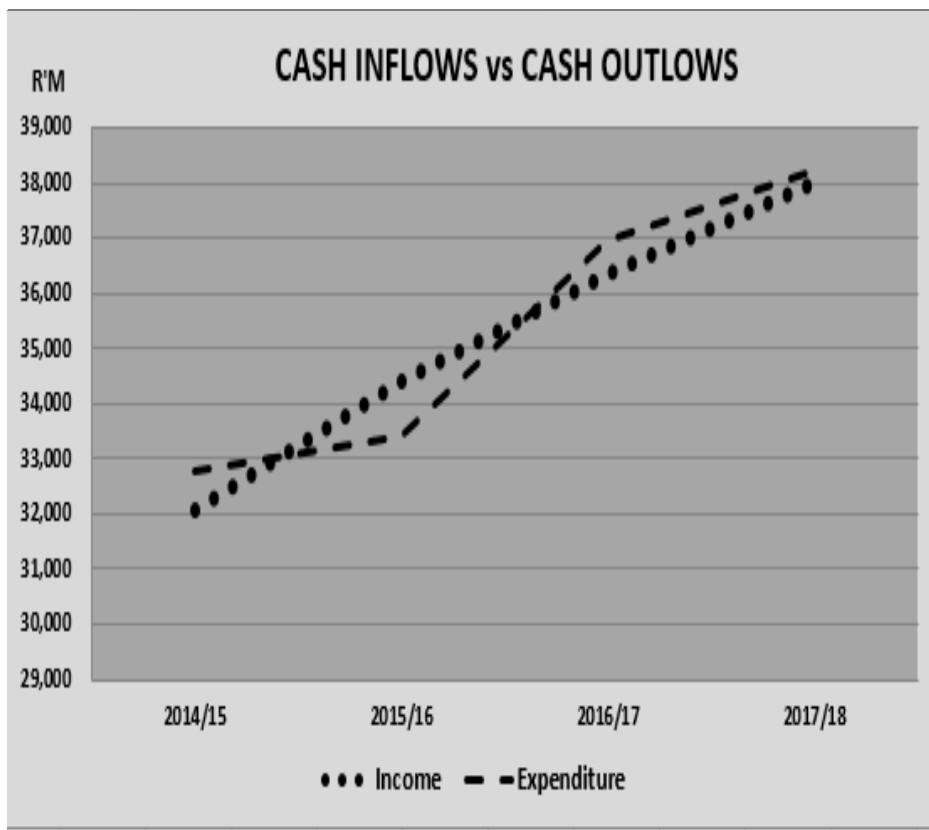


Figure 173: Cash inflows vs Cash outflows



Figure 174: Total Cash on hand Days Cash on hand

However, the National Treasury benchmarking assessment in 2018 found that eThekweni's total monthly household bill for all income ranges were amongst the lowest for cities, making eThekweni one of the most affordable cities to live in compared to other cities in South Africa. Tariffs and rates in the city therefore appears to be reasonably priced compared to other cities. However, future tariff increases need to be in line with inflation to ensure that consumers can afford the service and are able to pay, as well as to ensure the competitiveness of City and to grow the rates base.

The biggest costs as a percentage of total expenditure relate to Bulk Purchases (30.93%) and Salaries and Wages (29.89%). Accordingly, the Municipality has made representations to NERSA and the Umgeni Water Board to ensure that the electricity and water tariff increases are kept to a minimum. In addition, staff productivity has been a key management issue, and only critical vacancies have been filled.

The Municipality has increased its investment towards managing its assets, and accordingly, repairs and maintenance as a percentage of total expenditure was 7.62%. This indicates that the Municipality's assets are being adequately maintained and that there is a long-term vision in terms of sustainability. The total capital spend for the year under review was 73%. The main reasons for the underspending were delays due to environmental and land ownership issues, work stoppages by business forums and service delivery protests.

The Municipality has fully implemented the Municipal Standard Chart of Accounts (MSCOA). MSCOA has assisted the Municipality in terms of developing transparency and expenditure control by introducing uniform expenditure classifications in line with Provincial and National Government, Generally Recognized Accounting Practice (GRAP) and uniform Treasury norms and standards nationally. The Municipality is on track in terms of updating the MSCOA versions as and when new updates from the National Treasury become available.

The annual financial statements and consolidated annual financial statements were timeously produced in terms of the legislative requirements and complied with the relevant accounting standards. The budget was also timeously approved and all legislated requirements and timeframes were met.

Key expenditure challenges are as follows: undertaking the human settlement function on behalf of the Province, implementation of the IRPTN programme, ageing infrastructure, the service delivery backlog, unfunded mandates, high water and electricity bulk tariff increases from Umgeni Water Board and Eskom, increasing the spend on economic development to address unemployment,

poverty and inequality, security and EPWP tariffs as well as the affordability and sustainability of increasing the rollout of free basic services due to rapid urban migration. The Municipality has prioritised these issues and strategic plans have been included in the Integrated Development Plan to address these challenges.

5.3 REVENUE

The Municipality achieved an overall collection rate of 92% (total receipts for services over total billings for services) for the year under review despite the impact of the economy and the implementation of the new revenue management system (RMS) which impacted on the number of disconnection orders that could have been issued. A process to correct the misallocations caused by the literal translation of the old system to the new system (RMS) was undertaken to ensure that the revenue recognised and disclosed in the statement of financial performance is valid, accurate and complete. Customer complaints have also been appropriately resolved, thus also ensuring the accuracy of the revenue recognised. There has been strict adherence to the Credit Control & Debt Collection Policy and the Rates Policy. Several debt collection strategies have been implemented, such as redline letters, consent to judgment, credit authorities, consolidation of accounts, a team to focus on the top 20% of debtors which make up 80% of the total debt, as well as teams to handle government debt, sale-in-executions, deceased estates and liquidations.

Total revenue grew by 6.9% year on year. The major sources of revenue were electricity (34.25%), property rates (21.49%), grants, subsidies & levies (22.34%), and water (9.35%).

The key revenue challenges include the water loss in distribution and the current economic climate characterized by high unemployment, high inflation, volatile and weak currency, rising food and fuel prices, and a low growth rate. Strategies have been developed and are being implemented to help address these issues. These include credit authorities to assist customers with paying their debt over a period of time in these tough economic conditions. The success of the Non-Revenue Water programme has improved after the drought conditions have been alleviated as result of the substantial rainfall and dam levels improving to acceptable levels. There has been a significant increase in the billed metered consumption volumes which assisted in the decreasing of the water losses by 2.8% from 35.5 % in 2016/17 FY to 32.7% in 2017/18 FY.

5.4 FINANCE

The Municipality and its entities have a strong liquidity position. The cash coverage ratio for the year under review was 64 days and the total cash and cash equivalents at year end were R6.39 billion. The cash coverage ratio is within the MFMA benchmark of 30-90 days and means that the Municipality will be able to pay its operating expenditure for a period of 64 days without generating any additional revenue or receiving any payments from its consumers.

No borrowings were undertaken in the current financial year due to the volatile market conditions, however the R1 billion loan budgeted for in the 2017/18 was drawn down in July 2018. The gearing ratio (Long Term Borrowing/Funds & Reserves) at year end was 20% which is well below the National Treasury benchmark of 45%-50%. This is evidence that the Municipality can afford to take on additional loan funding. However, management will assess the need for such external borrowings before a loan is taken to ensure that there are sufficient projects to be funded by the loan, affordability of repayment as well as sustainability.

The City's sustainability is being closely monitored by managing expenditure more effectively and austerity measures have been introduced to ensure value for money and best value is being derived from all goods and services procured. The ODCM unit (Organisation Design and Change Management) is also monitoring the productivity of all units and are also benchmarking with other municipalities. Several initiatives have also been embarked on to maximise revenue streams and to ensure completeness of revenue.

5.5 PROCUREMENT (SUPPLY CHAIN MANAGEMENT)

A number of interventions and monitoring controls with regard to Supply Chain Management processes are in place to reduce the occurrence of irregular expenditure. There were delays in consolidating and cleaning of the supplier address book of different units (Water and Sanitation, Electricity and Corporate Procurement). This exercise was necessary to ensure data integrity for the online real time integration and to have a seamless integration between the National Treasury Centralised Supplier Database, Vendor Portal and JD Edward systems.

This exercise was unplanned and resulted in the delays in the full implementation of the e-Procurement System, as it was manually performed and involved more than 55 000 suppliers. The Bid Adjudication Committee has approved the extension of the contract in order to complete the implementation of the system in the 2018/19 financial year. This clean up exercise will result in operational efficiencies in the procurement process and likewise will result in the decrease in irregular expenditure through the seamless integration with the National Treasury Centralised Supplier Database, Vendor Portal and the JD Edward systems.

Furthermore, the following processes are still in place to ensure operational economies of scale and efficiencies within the procurement processes:

- ISO 9001 accreditation of procurement processes - quality management system
- Centralised contract register
- Procurement scheduling resulting in better planning and capital spend
- Electronic contract tracking
- Supplier address book consolidation
- Invoice scanning and logging
- SCM Policy review
- E-Procurement – Quotes Management System (QMS)
- Improved internal controls – reduce fraud and corruption
- Benchmarking of prices of goods and services
- Employing SABS standards on products
- Making use of transversal contracts

SERVICE DELIVERY:

The Municipality continued its impressive track record in terms of service delivery. EThekweni Municipality has scooped seven awards at the Govan Mbeki Awards 2018 for fast-tracking service delivery. Durban has been listed as the fifth wealthiest city in Africa by AfrAsia Bank's 2018 Africa Wealth Report which found that wealth held in the City totalled 55 billion US dollars.

The two biggest challenges in the City are rapid urbanisation and unemployment which requires the collaborative effort of all stakeholders and all spheres of government. Notwithstanding the City's continued efforts in terms of service delivery, there is still a growing backlog due to rapid urban migration.

A task team has been established to assist in finding holistic solutions to address and combat homelessness in eThekweni Municipality. This project aims to assist homeless people roaming the streets of the City of eThekweni with shelter and education that will give them the ability to sustain themselves. This project will reduce crime, drug abuse and create jobs for the community of eThekweni Municipality.

COST CONTAINMENT:

As per the report to EXCO, the Municipality adhered to MFMA Circular No. 82 which is aimed at containing costs. This includes savings on the following:

- Curtailment of overseas trips – there must be a full motivation
- Restricting attendance to conferences, meetings and study tours
- Engagement of consultants – reducing the use
- Travel and subsistence – discounted flight and accommodation rates
- Domestic hotel accommodation
- Vehicle hire
- Credit cards
- Catering, entertainment and social functions
- Events, advertising and sponsorships
- Office furnishing
- Staff study, perks and suspension costs
- Filling of critical vacancies only

5.5.1 TRIPPLE BOTTOM LINE - ECONOMIC, SOCIAL AND ENVIRONMENTAL SUSTAINABILITY

The long term sustainability and viability of the Municipality is a key consideration. Accordingly, in the budget there is a balance between economic, social and rehabilitative expenditure.

Due to the economic climate and unemployment rate, a key focus is economic development and job creation. There are several catalytic projects, such as the IRPTN. The key focus is on nodal economic development and mixed use developments to create the necessary densification. There are also several other projects that are aimed to drive job creation and stimulate the opening of new businesses. In addition, the radical economic transformation strategy will also help create more opportunities for the vulnerable groups of women, youth and the disabled.

The financial effects of climate change can be just as devastating as the physical ones. Unexpected expenditures from storms, flooding, and droughts can lead to major disruptions in business operations and city budgets. However, in the heart of the city lies an opportunity: urban density presents a greener way to live. Urban density can actually create the possibility for a better quality of life and a lower carbon footprint through more efficient infrastructure and planning. Some of the areas currently being looked at include, inter alia, alternate sources of energy, green vehicles and buses (IRPTN), green procurement, housing initiatives relating to solar heating, energy efficient showerheads, Local Economic Development (LED) lighting, water tanks, etc., sustainability projects relating to water, electricity, wastewater, landfills, recycling, as well as smart initiatives relating to street lighting, robots, etc. The key is to develop a green economy and ensure that we clearly demonstrate a return on investment.

COMPARATIVE DISCLOSURES:

The prior year information disclosed is based on restated audited figure

STATEMENTS OF FINANCIAL PERFORMANCE

Financial Summary										
R' 000										
Description	Previous Year 2016/2017			2016/2017 Variance		Current Year 2017/2018			2017/2018 Variance	
	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Financial Performance										
Property rates	6,460,572	6,460,572	6,551,275	1.40%	1.40%	6,907,500	7,101,042	7,673,349	11.09%	8.06%
Service charges	17,370,469	17,373,960	16,431,897	-5.40%	-5.42%	18,265,088	17,980,379	17,180,137	-5.94%	-4.45%
Investment revenue	855,369	862,766	664,334	-22.33%	-23.00%	1,296,055	592,802	598,038	-53.86%	0.88%
Transfers recognised - operational	3,063,682	3,237,339	2,716,460	-11.33%	-16.09%	3,087,889	5,380,146	5,333,730	72.73%	-0.86%
Other own revenue	3,517,469	3,593,065	4,063,274	15.52%	13.09%	3,828,123	1,955,599	2,274,140	-40.59%	16.29%
Total Revenue (excluding capital transfers and contributions)	31,267,561	31,527,702	30,427,240	-2.69%	-3.49%	33,384,655	33,009,968	33,059,394	-0.97%	0.15%
Employee costs	8,755,110	8,683,898	8,860,255	1.20%	2.03%	9,824,018	9,875,494	10,081,933	2.63%	2.09%
Remuneration of councillors	105,953	111,410	110,934	4.70%	-0.43%	107,947	119,899	119,344	10.56%	-0.46%
Debt impairment	648,458	627,768	2,011,349	210.17%	220.40%	649,219	649,826	2,076,465	219.84%	219.54%
Depreciation & asset impairment	1,976,669	1,970,878	2,216,132	12.11%	12.44%	2,080,881	2,050,557	2,361,953	13.51%	15.19%
Finance charges	1,424,373	1,444,496	897,959	-36.96%	-37.84%	1,466,337	869,544	852,320	-41.87%	-1.98%
Materials and bulk purchases	10,563,501	10,461,821	10,949,117	3.65%	4.66%	10,840,262	11,625,701	11,414,637	5.30%	-1.82%
Transfers and grants	216,940	352,487	216,200	-0.34%	-38.66%	226,275	443,129	397,901	75.85%	-10.21%
Other expenditure	6,955,270	7,538,605	6,006,229	-13.64%	-20.33%	7,502,332	7,157,490	6,429,892	-14.29%	-10.17%
Total Expenditure	30,646,274	31,191,363	31,268,175	2.03%	0.25%	32,697,271	32,791,640	33,734,445	3.17%	2.88%
Transfers recognised - capital	3,689,848	2,895,199	2,968,039	-19.56%	2.52%	3,807,036	2,966,413	2,640,455	-30.64%	-10.99%
Surplus/(Deficit) after capital transfers & contributions recognised - capital & contributed assets	4,311,135	3,231,538	2,127,104	-50.66%	-34.18%	4,494,420	3,184,741	1,965,404	-56.27%	-38.29%

<u>Capital expenditure & funds sources</u>										
Capital expenditure	6,725,067	6,046,232	5,466,428	-18.72%	-9.59%	7,340,084	6,564,144	4,791,159	-34.73%	-27.01%
Transfers recognised - capital	3,689,848	2,895,199	2,968,039	-19.56%	2.52%	3,807,036	2,966,413	2,640,455	-30.64%	-10.99%
Borrowing	1,000,000	700,000	171,914	-82.81%	-75.44%	1,000,000	199,499	184,689	-81.53%	-7.42%
Internally generated funds	2,035,219	2,451,033	2,326,475	14.31%	-5.08%	2,533,048	3,398,232	1,966,015	-22.39%	-42.15%
Total sources of capital funds	6,725,067	6,046,232	5,466,428	-18.72%	-9.59%	7,340,084	6,564,144	4,791,159	-34.73%	-27.01%
<u>Financial position</u>										
Total current assets	14,821,634	14,691,263	13,822,456	-6.74%	-5.91%	16,466,103	16,890,082	14,271,518	-13.33%	-15.50%
Total non-current assets	50,434,423	50,700,685	47,991,274	-4.84%	-5.34%	54,530,664	53,728,985	50,327,879	-7.71%	-6.33%
Total current liabilities	10,644,787	10,649,584	10,784,182	1.31%	1.26%	11,347,684	11,623,483	11,808,541	4.06%	1.59%
Total non-current liabilities	13,099,265	12,798,788	12,147,677	-7.26%	-5.09%	12,474,404	11,247,814	11,943,581	-4.26%	6.19%
Community wealth/Equity	41,512,005	41,943,576	38,881,871	-6.34%	-7.30%	47,174,679	47,747,770	40,847,275	-13.41%	-14.45%
<u>Cash flows</u>										
Cash / cash equivalents at the beginning of the year	6,243,060	7,216,329	7,211,562	15.51%	-0.07%	6,336,321	6,336,321	6,587,208	3.96%	3.96%
Net cash from(used) operating	59,271,227	57,733,343	5,057,784	-91.47%	-91.24%	6,016,701	5,361,829	5,175,791	-13.98%	-3.47%
Net cash from(used) investing	(6,694,753)	(6,015,693)	(5,281,764)	100.00%	100.00%	(7,317,652)	(4,735,736)	(4,701,407)	100.00%	100.00%
Net cash from(used) financing	(21,573)	(300,607)	(400,374)	100.00%	100.00%	345,255	(732,061)	(674,885)	295.47%	100.00%
Cash / cash equivalents at the year end	58,797,961	58,633,372	6,587,208	-88.80%	-88.77%	5,380,625	6,230,353	6,386,707	18.70%	2.51%
<u>Cash backing/ surplus reconciliation</u>										
Cash and investments available	5,490,786	7,217,985	6,587,208	19.97%	-8.74%	7,982,745	6,230,353	6,386,707	-19.99%	2.51%
Application of cash and investments	4,599,409	4,625,073	6,623,186	44.00%	43.20%	3,419,390	3,593,489	5,186,211	51.67%	44.32%
Balance - surplus (shortfall)	891,377	2,592,912	(35,978)	-104.04%	-101.39%	4,563,355	2,636,864	1,200,496	-73.69%	-54.47%

<u>Asset management</u>										
Asset register summary (WDV)	49,591,729	49,546,820	47,934,850	-3.34%	-3.25%	54,405,710	53,243,092	50,268,210	-7.60%	-5.59%
Depreciation & Asset impairment	2,080,881	2,050,557	2,216,132	6.50%	8.07%	2,080,881	2,050,557	2,361,953	13.51%	15.19%
Renew al of Existing Assets	1,027,257	2,962,822	3,770,494	267.04%	27.26%	1,027,257	1,226,498	1,970,691	91.84%	60.68%
Repairs and Maintenance	3,527,700	3,825,205	2,480,054	-29.70%	-35.17%	3,949,554	4,115,374	2,569,617	-34.94%	-37.56%
<u>Free services</u>										
Cost of Free Basic Services provided	1,721,398	1,721,398	1,622,756	-5.73%	-5.73%	1,499,707	1,289,766	1,077,710	-28.14%	-16.44%
Revenue cost of free services provided	3,450,765	3,450,765	2,185,967	-36.65%	-36.65%	3,227,707	3,017,766	1,673,019	-48.17%	-44.56%
<u>Households below minimum service level</u>										
Water	128	128	20	-84.26%	-84.26%	126	152	6	-95.13%	-95.96%
Sanitation/ Sew erage	189	189	142	-25.01%	-25.01%	172	154	111	-35.61%	-28.08%
Refuse	–	–	–	0.00%	0.00%	–	–	–	0.00%	0.00%
Variances are calculated by dividing the difference between actual and original/adjustments budget by original/adjusted budget.										

GRANTS

Grant Performance										
R' 000										
Description	2016/2017			2016/2017 Variance		2017/2018			2017/2018 Variance	
	Original Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustment Budget (%)	Original Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustment Budget (%)
Transfers and Grants										
National Government:	5,327,417	5,666,466	5,362,728	1%	-5%	5,715,131	7,926,742	7,587,651	33%	-4%
Equitable share	2,319,380	2,319,380	2,319,380	0%	0%	2,582,776	2,582,776	2,582,776	0%	0%
Urban Settlements Development Grant	1,885,685	1,885,685	1,885,685	0%	0%	1,980,109	1,980,109	1,980,109	0%	0%
Financial Management Grant	1,050	1,050	1,050	0%	0%	1,050	1,050	1,050	0%	0%
Infrastructure Skills Development Grant	24,739	24,739	26,034	5%	5%	27,893	27,893	24,658	-12%	-12%
PUBLIC Transport Network Grant (PTIF / PTCG)	877,168	1,232,168	950,078	8%	-23%	917,150	917,150	610,567	-33%	-33%
Expanded Public Works Programme	49,478	49,478	49,478	0%	0%	66,792	66,792	66,792	0%	0%
Neighborhood Development Grant	70,000	53,800	31,799	-55%	-41%	50,000	50,000	21,824	-56%	-56%
National Electrification Programme	31,000	31,000	31,000	0%	0%	35,000	35,000	35,000	0%	0%
National Research Fund	-	249	269	100%	8%	250	250	-	-100%	-100%

Integrated City Development	50,256	50,256	50,256	0%	0%	39,111	39,111	39,111	0%	0%
Fuel Levy	14,342	14,342	14,342	0%	0%	-	2,211,611	2,211,611	100%	0%
Department of Arts and Culture : KZN	159,762	143,198	40,248	-75%	-72%	92,863	82,627	49,467	-47%	-40%
Department of Environment Affairs	-	-	6,140	100%	100%	-	500	500	100%	0%
Government Health Subsidy	76,051	76,051	111,836	47%	47%	191,270	191,270	233,279	22%	22%
Department of Human Settlement	167,681	167,681	75,779	-55%	-55%	874,082	106,193	58,171	-93%	-45%
Sport and Recreation	30,000	11,547	-	-100%	-100%	-	-	-	0%	0%
Department of Minerals and Energy	623,020	-	-	-100%	0%	-	-	-	0%	0%
Public Contribution	1,000	1,000	8,457	746%	746%	-	1	1	100%	0%
Metropolitan	-	-	-	0%	0%	-	-	39	100%	100%
SA Special Risk Ins	-	-	-	0%	0%	-	-	2,109	100%	100%
DBSA	12,271	12,271	15,398	25%	25%	-	6,320	5,355	100%	-15%
Biowaste	-	-	220	100%	100%	-	-	-	0%	0%
Sports Council - United Nations	-	-	-	0%	0%	-	300	176	100%	-41%
Lotto	-	13,120	-	0%	-100%	-	-	-	0%	0%
Natural Reserve Fund	-	-	153	100%	100%	-	281	281	100%	0%
Skills Grant LG Seta	1,757	1,757	-	-100%	-100%	-	2,127	2,127	100%	0%
SAASTA	-	39	-	0%	-100%	-	-	-	0%	0%
BMZ: Umhlangane	2,161	2,161	2,597	20%	20%	781	3,239	1,069	37%	-67%
Construction SETA Grant	-	-	2,753	100%	100%	-	-	101	100%	100%

Orio Grant	-	-	-	0%	0%	-	-	29,707	100%	100%
Tongaat Hulett	-	-	16,487	100%	100%	-	-	-	0%	0%
DPSA - Aquaponics Projects	-	-	-	0%	0%	-	1,750	1,461	100%	-17%
Total Transfers and Grants	6,437,120	6,132,291	5,684,499	-12%	-7%	6,894,924	8,346,558	7,992,585	16%	-4%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the original/adjustments budget.										
Comments: Included in actuals for Infrastructure Skills Development Grant is R 18.4m transferred to UMngeni Water.										

Grants Received From Other Than Division of Revenue Act (DORA)

Details of Donor	Actual Grant 2017/2018	2017/2018	Date Grant terminates	Date contribution terminates	Municipal	Nature and benefit from the grant
		Municipal Contribution				received, include description of any contributions in kind
	R'000					
Public Sponsorship	500	Nil	Completion of projects	N/a		Disaster relief fund.
United Nations Council	176	Nil	Completion of projects	N/a		EThekweni Safety Audit and City Safety Lab Project.
SA Special Risk Ins	2,109	Nil	Completion of projects	N/a		SASRIA Insurance claim settlement received for Roads & Stormwater Folweni Depot
BMZ: Umhlangane	2,847	Nil	Completion of projects	N/a		Restore local biodiversity in the Umhlangane Catchment, monitor and report on the effectiveness of ecosystem rehabilitation in contributing to ecosystem based adaption, generate income for the local population through the creation of job opportunities and ensure effective management of a complex ,cross sectorial initiative.
Reforestation - DBSA	2,363	Nil	Completion of projects	N/a		The Green Fund was initiated and designed to provide catalytic finance to facilitate investment in green initiatives for poverty reduction and job creation which would not have been implemented without fiscal support. The Green Fund is additional and complementary to existing fiscal allocations supporting the transitioning of the South African economy to a low carbon, resource efficient and climate resilient growth part. These Reforestation projects were initiated with the aim of mitigating carbon emissions through the reforestation of large tracts of indigenous forests and other natural habitats.

Orio Grant	29,707	Nil	Completion of projects	N/a	Utilisation on delivery of ablution facilities.
PW Brook Trust	11,176	Nil	Completion of projects	N/a	For construction of indoor sports hall facility : Siripat ground
EU Funding	4,240	Nil	Completion of projects	N/a	Informal settlement upgrade.
Construction SETA Grant	101	Nil	Completion of projects	N/a	Continue empowering the youth through construction SETA learnerships short course
Developers Contribution	4,001	Nil	Completion of projects	N/a	Developer's contributions towards Peter Road and towards future environmental protection and management projects as a result of their acknowledgement of the adverse effects that their developments would have on the natural environment.
Public Contribution	1	Nil	Completion of projects	N/a	Contributions by developers towards future environmental protection and management projects as a result of their acknowledgement of the adverse effects that their developments would have on the natural environment.

ASSET MANAGEMENT

Since 2004 the council has focused its efforts towards efficient asset management. Asset managers were appointed in strategic areas. Detailed asset registers have been updated in partnership with engineers. There has been a focus on accurate conditional assessments of assets and assessment of replacement costs. Asset registers have been linked to the GIS system and include photographic imagery. A detailed Asset Management Policy Guideline has been developed and implemented.

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2017/18	
Asset 1	
Name	GO DURBAN - C3 CORRIDOR
Description	Fixed - Infrastructure
Asset Type	Dedicated Right of Ways and stations
Key Staff Involved	Infrastructure work stream
Staff Responsibilities	Operation and Maintenance
Asset Value	R 2,3b
Capital Implications	Grant funded, capital contribution to maintenance costs
Future Purpose of Asset	To be used as a dedicated Right of Way for buses to transport commuters. An economic stimulus within the node.
Describe Key Issues	Vandalism. Wear and tear due to it being a high usage asset.
Policies in Place to Manager Asset	Asset management policy
Asset 2	
Name	TIBCO Licenses -Software (asset no. 2295853)
Description	Full Suite of TIBCO Licenses

Asset Type	Intangible Assets
Key Staff Involved	Robert Dlamini (IMU), Bob Gangadaran (IMU), R Moodley (IMU), P Watkins (Electricity)
Staff Responsibilities	Project Management, Implementation, Support
Asset Value	R 84m
Capital Implications	No further Capital expenditure
Future Purpose of Asset	Provision of Enterprise Service Bus (Integration Capabilities) as part of the Municipality's Enterprise Architecture to enable seamless integration of disparate systems, Business Process Modelling (BPM) development and repository, Business Process Orchestration (Workflow and Automation), Business Intelligence (Provision of Analytical and Presentation capabilities to collate, analyse and display business information specifically in real time environments e.g. SCADA).
Describe Key Issues	Standardise on a system integration platform critical for the enablement of decision support systems, integration of legacy systems, Smart City initiatives, process automation and workflow improvements, simplification of the enterprise architecture by reducing point to point interfaces.
Policies in Place to Manage Asset	Enterprise Architecture Policy
Asset 3	
Name	CONSTRUCTION OF COMMUNITY INFRASTRUCTURE SIDEWALKS & PASSAGES S REGION (P10067) (Asset no. 3348145)
Description	CONSTRUCTION OF COMMUNITY INFRASTRUCTURE SIDEWALKS & PASSAGES IN THE SOUTHERN REGION (P10067) CONTRACT NUMBER: 1R-18907(Asset no. 3348145)
Asset Type	Infrastructure Asset
Key Staff Involved	Area Project Technologist - Roads Provision (Design South Branch) Seelan Naidoo
Staff Responsibilities	Management of Project from inception to completion
Asset Value	R27.3m

Capital Implications	None
Future Purpose of Asset	Provision of Infrastructure to communities in these regions
Describe Key Issues	None
Policies in Place to Manage Asset	Maintenance programme by sister dept. to maintain new asset on an ongoing basis.

The increased efforts on focusing on Asset management has assisted the municipality in ensuring that assets are properly maintained & service delivery is enhanced.

REPAIRS AND MAINTENANCE EXPENDITURE 2017/2018

R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance	3,949,554	4,115,374	2,569,617	-38%

EThekweni Municipality spent 62% of the current year's repairs and maintenance budget. Management had anticipated to spend more on repairs and maintenance due to ageing infrastructure and the limited capital budget to replace existing assets. However, the actual repairs and maintenance costs were less than anticipated due effective asset management, which includes maintenance plans and prioritising repairs and maintenance for assets affecting service delivery. The spend on repairs and maintenance for the current year was 8% of the total operating expenditure, which is within the norm of 8%-10%.

Performance Indicators

Description of financial indicator	Basis of calculation	2009/10	2016/17	2017/18				2017/2018 Medium Term Revenue & Expenditure Framework	
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Audited Outcome	Budget Year +1 2018/19	Budget Year +2 2019/20
Borrowing Management									
Borrowing to Asset Ratio	Total Long-Term Borrowing (external)/Total Assets	21.3%	14.3%	13.2%	11.5%	19.2%	12.6%	12.8%	11.9%
Credit Rating		AA	AA-	AA+	AA+	AA-	AA+	AA+	AA+
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	4.6%	6.4%	6.6%	5.0%	9.6%	4.5%	5.0%	6.1%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl transfers and grants and contributions	68.7%	6.9%	28.3%	7.0%	42.3%	8.6%	30.2%	12.9%
Safety of Capital									
Debt to Equity	Loans, Creditors, Overdraft & Tax Provision/ Funds & Reserves	82.3%	59.0%	50.5%	47.9%	71.3%	58.1%	48.7%	45.5%
Gearing	Long Term Borrowing/ Funds & Reserves	38.9%	22.7%	19.8%	17.0%	32.9%	20.0%	19.0%	17.4%
Liquidity									
Current Ratio	Current assets/current liabilities	1.1	1.28	1.45	1.45	1.2	1.21	1.25	1.14
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.1	1.28	1.45	—	1.2	1.21	1.25	1.14
Liquidity Ratio	Monetary Assets/Current Liabilities	0.3	0.6	0.8	0.6	0.6	0.5	0.5	0.4

Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	85.4%	91.3%	96.5%	96.5%	96.8%	92.0%	95.5%	95.5%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Operating Revenue	35.8%	20.7%	22.0%	28.0%	21.5%	20.2%	23.3%	23.3%
Creditors Management									
Creditors System Efficiency	% of Creditors Paid Within Terms (w ithin 'MFMA' s 65(e))	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	days		76	30			81	30	30
Other Indicators									
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated	5.2%	7.58%	8.0%	8.0%	5.9%	7.10%	8.0%	8.0%
Water Distribution Losses (2)	% Volume (units purchased and ow n source less units sold)/Total units purchased and ow n source	37.5%	35.5%	36.2%	36.2%	38.0%	32.7%	36.2%	36.2%
Employee costs	Employee costs/(Total Revenue - capital revenue)	27.3%	29.1%	29.4%	29.9%	30.5%	30.5%	29.9%	29.6%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	27.8%	29.5%	29.8%	30.3%	30.3%	30.9%	30.2%	29.9%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	13.2%	8.2%	11.8%	12.5%	11.6%	7.8%	12.1%	12.1%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	9.4%	10.2%	10.6%	8.8%	12.0%	9.7%	8.7%	9.2%
IDP regulation financial viability indicators									
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due w ithin financial year)	21.8	13.87	13.96	16.80	18.15	18.15	17.02	13.97
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	45.5%	17.0%	11.1%	16.9%	27.4%	18.3%	12.8%	13.5%

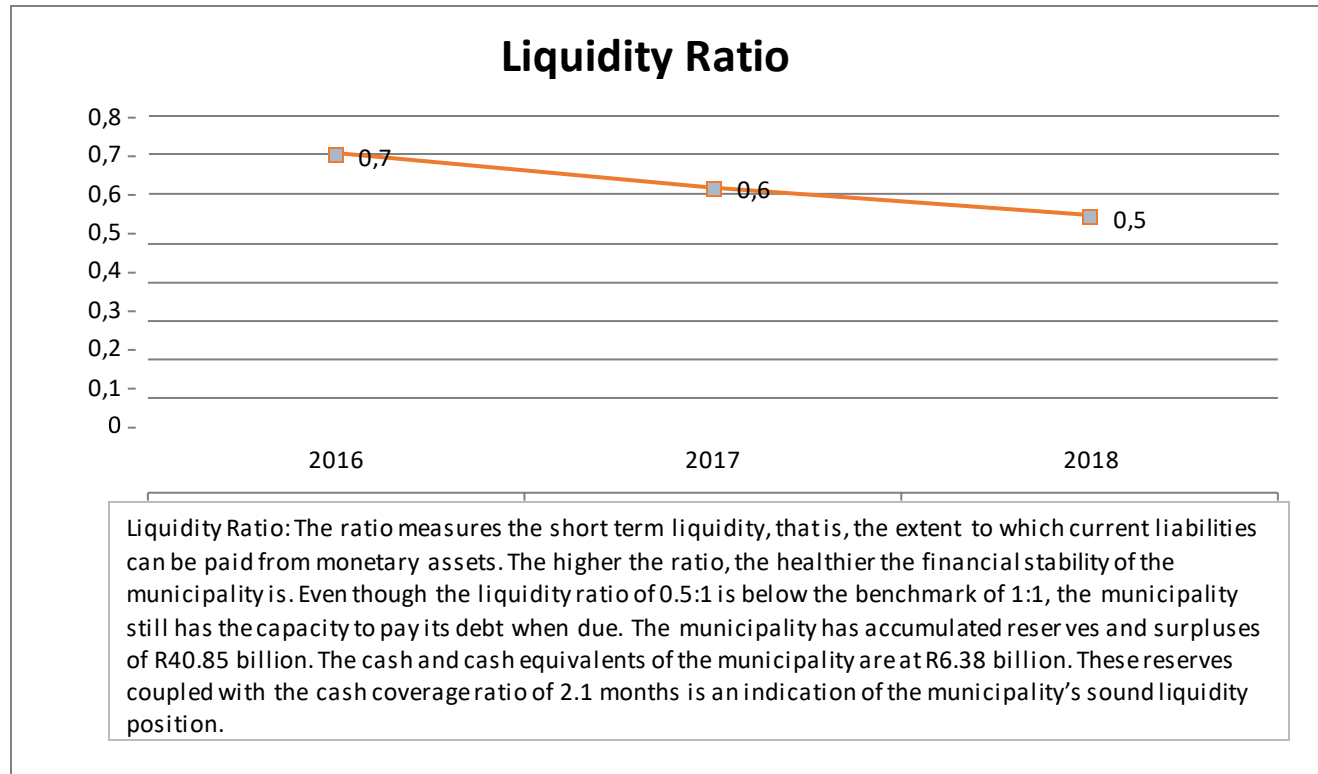
iii. Cost coverage	(Available cash + Investments - Unspent grants)/monthly fixed operational expenditure	1.4	2.5	3.1	2.4	2.8	2.10	2.0	1.4
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References

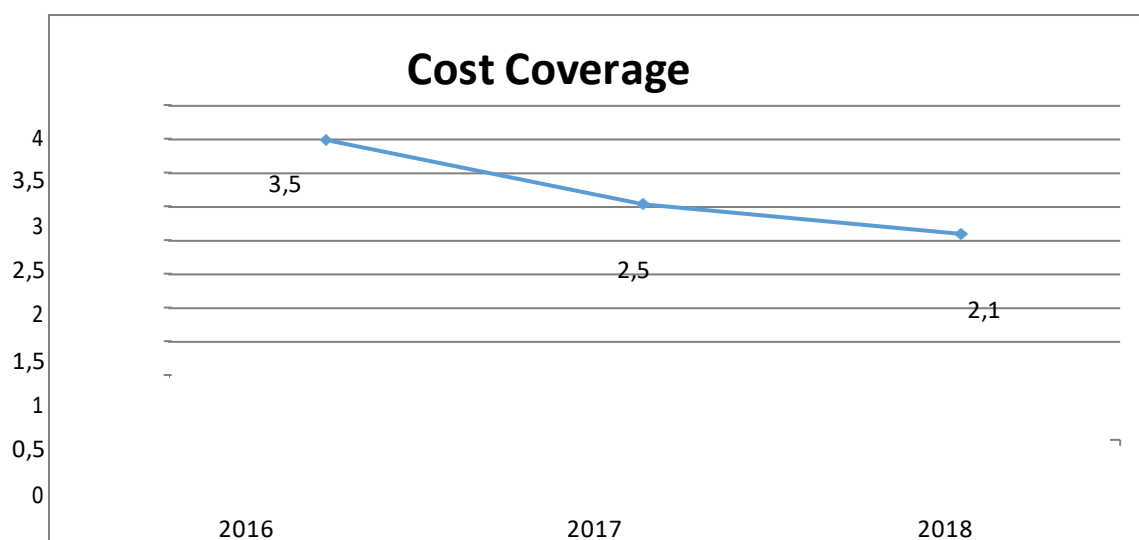
1. Consumer debtors > 12 months old are excluded from current assets
2. Only include if services provided by the municipality

FINANCIAL RATIO BASED ON KEY PERFORMANCE INDICATORS (based on SA08)

LIQUIDITY RATIO



Financial Year	Liquidity Ratio
2016	0.7
2017	0.6
2018	0.5

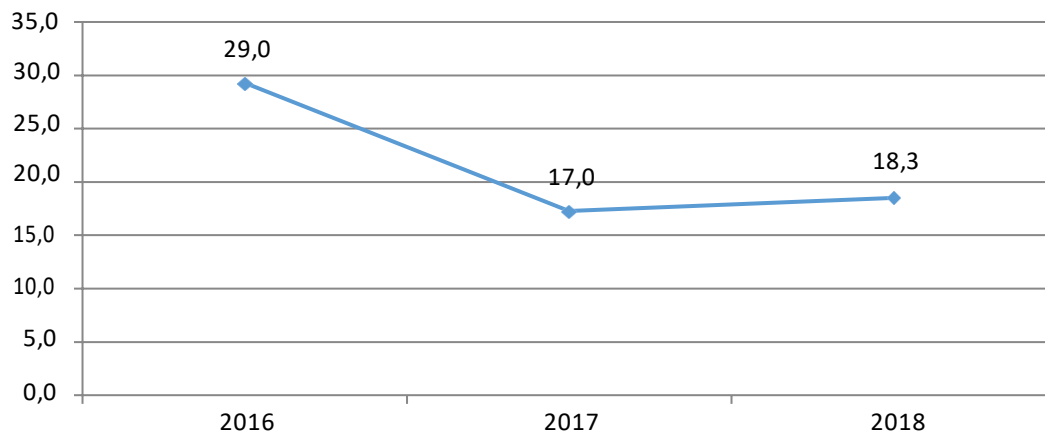


Cost Coverage: It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants.

Even though the ratio has decreased from the prior year, it is still within the upper norm of 1 to 3 months. This means that existing cash and cash equivalents can sufficiently cover 2.6 months of expenditure even if no further cash is received by the municipality.

Financial Year	Cost Coverage Ratio
2016	3.5
2017	2.5
2018	2.1

Total Outstanding Service Debtors

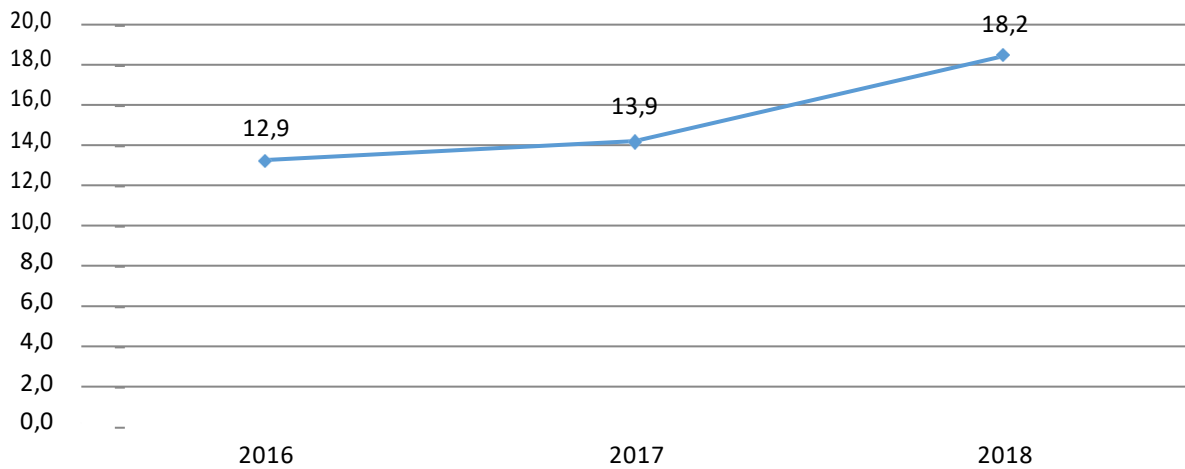


Total Outstanding Service Debtors: Measures how much money is still owed by the community for water, electricity, waste removal, rates and sanitation compared to how revenue has been billed for these services. This ratio is calculated by dividing the total outstanding debtors (consumer) by the total annual revenue for these service. A lower ratio is better as it is an indication that the municipality collects most of the revenue it bills.

Even though the ratio has regressed from 17.0% in the prior year to 18.3% in the current year, this ratio is still below 20% and is an indication that the municipality is able to collect most of the revenue it bills, which is mostly attributable to the strict credit controls applied by the municipality. Most municipalities are in financial distress as a result of being unable to collect the revenue due to their customers being in financial difficulties (unemployment, increased cost of living, adverse economic conditions, etc.). However, the municipality is still able to collect 92% of the revenue it bills.

Financial Year	Ratio
2016	29.0
2017	17.0
2018	18.3

Debt Coverage

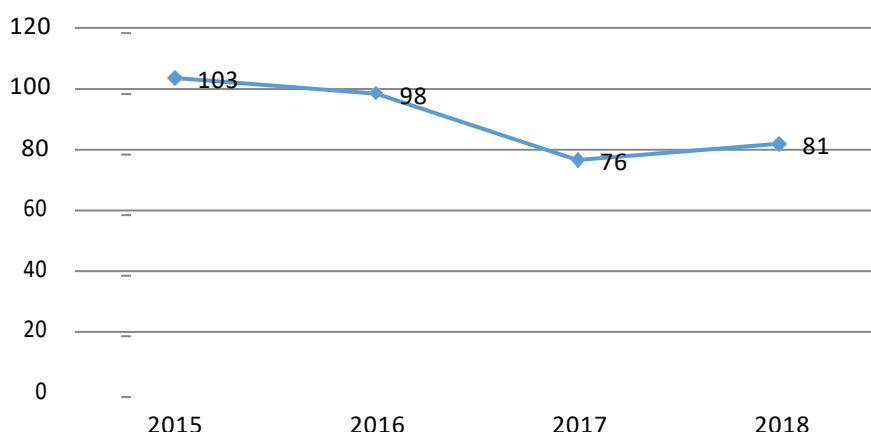


Debt Coverage: The number of times debt payments can be accommodated within operating revenue (excluding grants). This in turn represents the ease with which debt payments can be accommodated by the Municipality.

The debt coverage ratio has strengthened from the prior year indicating an increase in the City's ability to afford servicing its loans. This is attributable to an increase in operating revenue in the current year compared to the prior year and also a decrease in the balance of loans due to some of these loans having been fully repaid. The City's gearing ratio is 20%, which is within the norm of 45% and also further evidence of the ability to take on more debt. However, the municipality assessing the need for additional loan funding before a decision is taken to fund capital projects through external borrowings.

Financial Year	Ratio
2016	12.9
2017	13.9
2018	18.2

Creditors System Efficiency



Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases.

The creditor's payment period was 81 days in the current year, which is above the norm of 30 days as stipulated by Section 65 of the Municipal Finance Management Act, and also a regression from 76 days in the prior year.

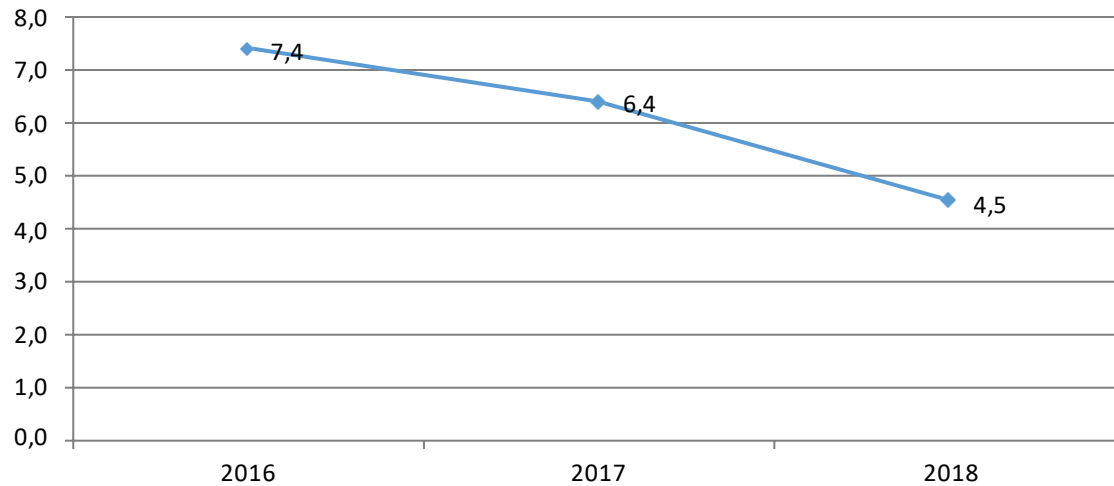
This is attributable to strict internal control processes put in place to ensure that only valid payments are processed, after taking into account compliance with Supply Chain Management Regulations, compliance with the minimum requirements of value added taxation regarding valid tax invoices and after resolving any disputes between the creditor and the municipality.

Invoices not supported by all the required documentation are not paid until such time the information is made available, hence the higher than normal creditor's payment period. This is in line with section 62 of the Municipal Finance Management Act stating that the resources of the municipality must be used effectively, efficiently and economically.

All other valid invoices are paid within 30 days.

Financial Year	Ratio
2015	103
2016	98
2017	76
2018	81

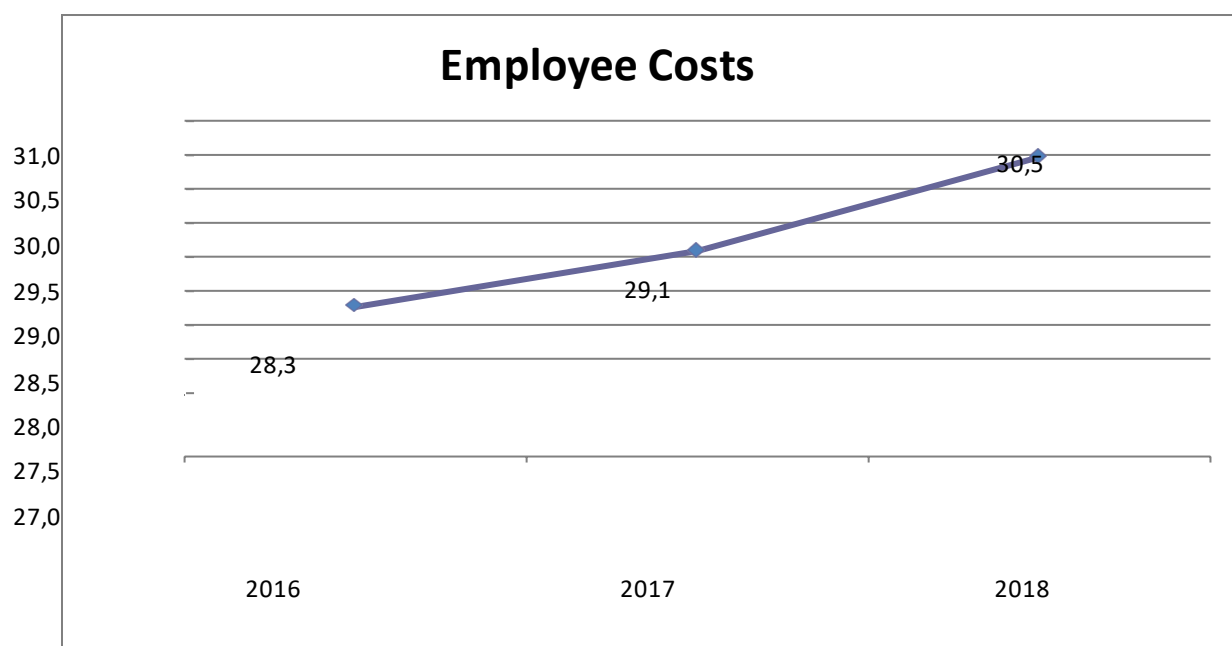
Capital Charges to Operating Expenditure



Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principal paid by the total operating expenditure.

This ratio is below the the norm of 6% to 8%. Further the gearing ratio decreased from prior year (2017-22,7%; 2018-19,9%) and is also below the norm of 45%. Due to the relatively low financial risk, the city has added capacity to raise more loan finance when the need arises.

Financial Year	Ratio
2016	7.4
2017	6.4
2018	4.5

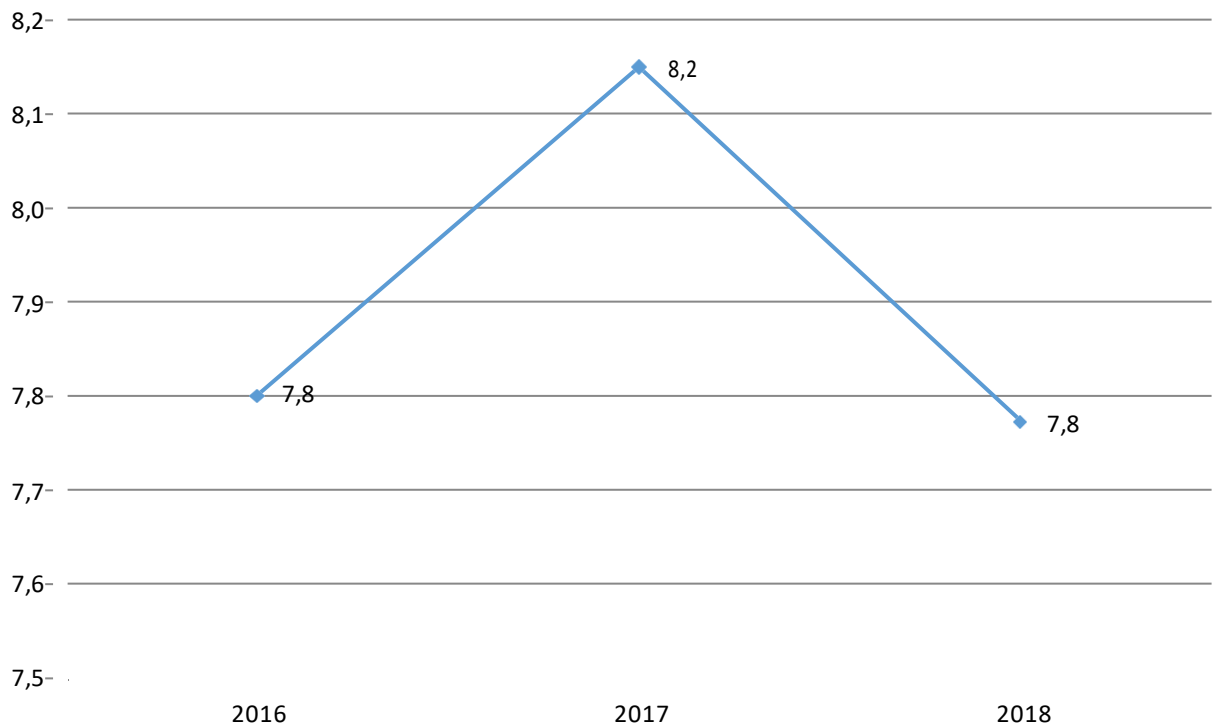


Employee cost: Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Employee related costs as a percentage of total revenue have increased from the prior year. Notwithstanding this increase, the ratio remains within the norm of between 25% and 40% . The increment in the ratio is mainly attributable to an increase in overtime payments to employees, filling of critical vacant posts and a general increase in wages.

Financial Year	Ratio
2016	28.3
2017	29.1
2018	30.5

Repairs and Maintenance



Repairs and Maintenance: This represents the proportion of repairs and maintenance to own source revenue and is calculated by dividing the total repairs and maintenance by the difference between total revenue and capital revenue (operating revenue).

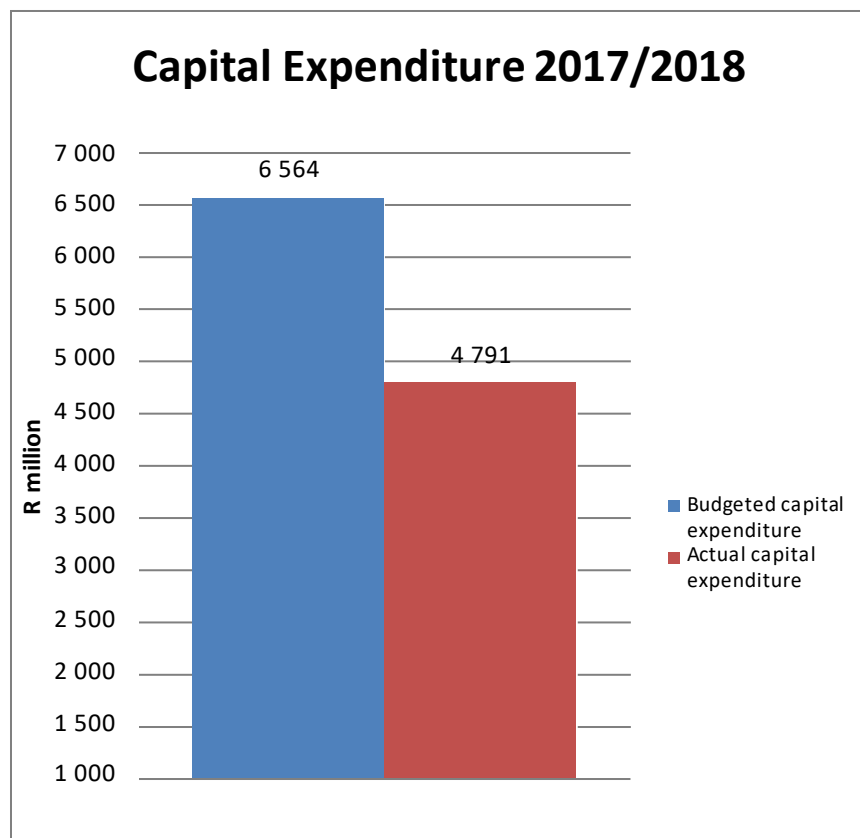
Repairs and maintenance as a percentage of total operating revenue has decreased from the previous year from 8,2% in 16/17 to 7,8% in the current year. However, when compared to the 15/16 financial year, this ratio has remained consistent. The increase in the 16/17 financial year is mainly due to the storm damage that resulted in increased repairs and maintainance incurred than usual. There is no norm from the National Treasury guideline in respect of this ratio.

Financial Year	Ratio
2016	7.8
2017	8.2
2018	7.8

SPENDING AGAINST CAPITAL BUDGET

Introduction

Capital expenditure relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from grants, borrowings, operating expenditures and surpluses



The capital expenditure incurred for the current year is R4.7 billion, which is 73% of the approved capital budget. Spending in the current year was slower than anticipated due to delays in the awarding of the contract for the Northern Aqueduct. The funding received is planned to be spent in the next three years on the Northern and Western Aqueduct projects. Other contracts have also been delayed due to poor performance by contractors, procurement and legal challenges / delays on four road projects, appeals processes on some projects and work stoppages due to the strikes and business forums challenges.

SOURCES OF FINANCE

Details		2016/2017	2017/2018				
		Actual	Original Budget (OB)	Adjustment Budget (AB)	Actual	Adjustment to OB Variance (%)	Actual to AB Variance (%)
Source of finance							
	External loans	171,914	1,000,000	199,499	184,689	-80%	-7%
	Grants and subsidies	2,968,039	3,807,036	2,966,413	2,640,455	-22%	-11%
	Internally generated funds	2,326,475	2,533,048	3,398,232	1,966,015	34%	-42%
Total		5,466,428	7,340,084	6,564,144	4,791,159	-11%	-27%
Percentage of finance							
	External loans	3.1%	13.62%	3.04%	3.85%	-78%	27%
	Grants and subsidies	54.30%	51.87%	45.19%	55.11%	-13%	22%
	Internally generated funds	42.56%	34.51%	51.77%	41.03%	50%	-21%
Capital expenditure							
	Water and sanitation	1,388,847	1,517,255	1,502,815	1,029,091	-1%	-32%
	Electricity	744,713	806,100	973,545	950,679	21%	-2%
	Housing	558,467	1,288,575	518,486	458,202	-60%	-12%
	Roads and storm water	1,890,777	1,882,645	1,737,969	1,303,443	-8%	-25%
	Other	883,624	1,845,510	1,831,329	1,049,744	-1%	-43%
Total		5,466,428	7,340,084	6,564,144	4,791,159	-11%	-27%
Percentage of expenditure							
	Water and sanitation	25.41%	20.67%	22.89%	21.48%	11%	-6%
	Electricity	13.62%	10.98%	14.83%	19.84%	35%	34%
	Housing	10.22%	17.56%	7.90%	9.56%	-55%	21%

	Roads and storm water	34.59%	25.65%	26.48%	27.21%	3%	3%
	Other	16.16%	25.14%	27.90%	21.91%	11%	-21%

Capital Expenditure on five largest projects

R' 000					
Name of Project	Current Year			Variance Current Year	
	Original Budget	Adjusted Budget	Actual Expenditure	Original Variance (%)	Adjusted variance (%)
A Y6525	282.716	282.716	219.879	-22%	-22%
B PC8900	63.146	176.051	197.235	212%	12%
C P8528	281.786	281.786	374.905	33%	33%
D P9706	0	75.8	107.414	100%	42%
E X4625	83.027	100.122	100.122	21%	0%
F X4764	152.8	97.8	98.083	-36%	0%
* Projects with the highest capital expenditure in 2016/17					
* Projects with the highest capital expenditure in 2017/18					
Name of Project - A	ABLUTION BLOCKS IN SITU UPGRADE				
Objective of Project	To provide sanitation to informal settlements and eradicate sanitation backlogs				
Delays	Environmental, land and Community issues				
Future Challenges	Environmental, land and Community issues				
Anticipated citizen benefits	Improved quality of life for those living in the informal settlements and a reduction in the associated health risks				
Name of Project - B	Service Delivery Trucks, Vans And Other				
Objective of Project	To provide Vehicles, Service Delivery Trucks and Specialised Vehicles to Meet Service Delivery Needs				
Delays	none envisaged at this stage				
Future Challenges	Increases in staff complement of departments, high number of accident write-offs experienced in the past five years, disposed vehicles and not replaced, newly identified vehicles for disposal				
Anticipated citizen benefits	Efficient Service Delivery To all Citizens Within the eThekweni Municipality Area				
Name of Project - C	Corridor C3 - PTIS funded				
Objective of Project	Major restructuring of Public Transport in the City including infrastructure and public transport service upgrade."				
Delays	Internal contract/report approvals; construction stoppages, industry transition issues; EIA and Water Use license approvals				
Future Challenges	Uptake of the service.				
Anticipated citizen benefits	To improve the quality of life of the city's residents by providing a safe; secure and efficient public transport				

Name of Project - D	Cornubia Blvd - PTIS Funded
Objective of Project	To provide additional capacity for development and implement formal public transportation, to open the interchange linking Cornubia, N2 and Umhlanga
Delays	on track , project is scheduled for completion in October 2018
Future Challenges	none envisaged at this stage
Anticipated citizen benefits	Opening up of Cornubia to surrounding areas
Name of Project - E	WATER FLAGSHIP PROJECT - WESTERN AQUEDUCT
Objective of Project	To provide water to the Western and Northern Areas
Delays	Sporadic Unrest, Violence and disruptions by communities and Business forums and contractor under business rescue process
Future Challenges	Water Use License and servitude acquisition
Anticipated citizen benefits	improved assurance of water supply Potable water supply
Name of Project - F	WATER PROJECT - NORTHERN AQUEDUCT
Objective of Project	To provide water to the Western and Northern Areas
Delays	Sporadic Unrest, Violence and disruptions by communities and business forums, contractor under business rescue process
Future Challenges	Water Use License and servitude acquisition
Anticipated citizen benefits	improved assurance of water supply Potable water supply

Basic Service and Infrastructure Backlogs Overview

Urban Settlement Development Grant (USDG)* Expenditure 2017/2018 on Service backlogs					
R'000					
Details	Budget	Adjustments Budget	Actual	Variance	
				Budget	Adjustments Budget
Infrastructure - Road transport				%	%
Roads Pavements & Bridges	117,415	221,839	221,841	89%	0%
Storm water	75,000	66,695	66,694	-11%	0%
Infrastructure - Electricity					
Generation					
Transmission & Reticulation	195,972	483,648	483,648	147%	0%
Street Lighting					
Infrastructure – Water					
Dams & Reservoirs					
Water purification					
Reticulation	385,817	175,173	175,173	-55%	0%
Infrastructure - Sanitation					
Reticulation	0	0	0	0	
Sewerage purification	293,589	377,106	377,106	28%	0%
Infrastructure – Other					
Waste Management	24,995	5,502	5,502	-78%	0%
Transportation	30,989	18,442	18,442	-40%	0%
Gas					
Other infrastructure -Housing	446,086	371,516	371,516	-17%	0%
Other Specify:					
Other units – Various	410,246	260,188	260,187	-37%	0%
Total	1,980,109	1,980,109	1,980,109	0%	0%

CASH FLOW MANAGEMENT AND INVESTMENTS

Cash Flow Outcomes						
Description	R'000			R'000		
	Previous year 2016/2017			Current year 2017/2018		
	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES						
Receipts						
Ratepayers and other	26,210,555	26,285,453	25,448,782	27,520,566	25,695,854	24,892,181
Government – operating	3,063,682	3,237,339	2,716,460	3,087,889	5,380,146	5,333,730
Government – capital	3,689,848	2,895,199	2,968,039	3,807,036	2,966,413	2,640,455
Interest	1,562,712	926,032	799,767	1,562,712	926,032	904,661
Payments						
Suppliers and employees	26,382,679	26,186,383	(25,761,105)	(28,268,890)	(28,293,943)	(27,345,015)
Finance charges	(1,421,709)	(1,444,576)	(897,959)	(1,466,337)	(869,544)	(852,320)
Transfers and Grants	(216,540)	(352,487)	(216,200)	(226,275)	(443,129)	(397,901)
NET CASH FROM/(USED) OPERATING ACTIVITIES	59,271,227	57,733,343	5,057,784	6,016,701	5,361,829	5,175,791
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts						
Proceeds on disposal of PPE	39,358	39,358	13,753	40,768	40,768	5,157
Decrease (Increase) in non-current debtors	(1,724)	(1,499)	–	(1,516)	(1,516)	–
Decrease (increase) other non-current receivables	–	–	–	(818)	(818)	–
Decrease (increase) in non-current investments	(7,320)	(7,320)	(18,702)	(16,002)	(16,002)	(6,707)
Payments						
Capital assets	(6,725,067)	(6,046,232)	(5,276,815)	(7,340,084)	(4,758,168)	(4,699,857)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(6,694,753)	(6,015,693)	(5,281,764)	(7,317,652)	(4,735,736)	(4,701,407)
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts						

Short-term loans	–	–	–	–	–	–
Borrowing long term/refinancing	1,000,000	700,000	700,000	1,000,000	–	–
Increase (decrease) in consumer deposits	88,904	88,904	–	48,804	42,863	–
Payments						
Repayment of borrowing	(1,110,477)	(1,089,511)	(1,100,374)	(703,549)	(774,924)	(674,885)
NET CASH FROM / (USED) FINANCING ACTIVITIES	(21,573)	(300,607)	(400,374)	345,255	(732,061)	(674,885)
NET INCREASE / (DECREASE) IN CASH HELD	54,944,413	56,462,232	(624,354)	(955,695)	(105,969)	(200,501)
Cash/cash equivalents at the year begin:	6,243,060	7,216,329	7,211,562	6,336,321	6,336,321	6,587,208
Cash/cash equivalents at the year end:	5,438,838	6,315,295	6,587,208	5,380,626	6,230,352	6,386,707
Source: Table B7 MTREF						T5.9.1

Cash and cash equivalents at year end have decreased from the previous year. The following material expenditure items resulted in the erosion of cash reserves during the year:

Legal Settlements of approximately R160 million, which relates to road rehabilitation. Higher Security costs of R80 million due to

BORROWING AND INVESTMENTS

BORROWINGS

GEARING RATIO

The Gearing Ratio (Total Debt: Operating Revenue), a good indicator of the ratio of Loans to Operating Revenue generated for the current financial year 2017/2018 and forecast for the next financial years 2018/2019 and 2019/2020 is as follows:

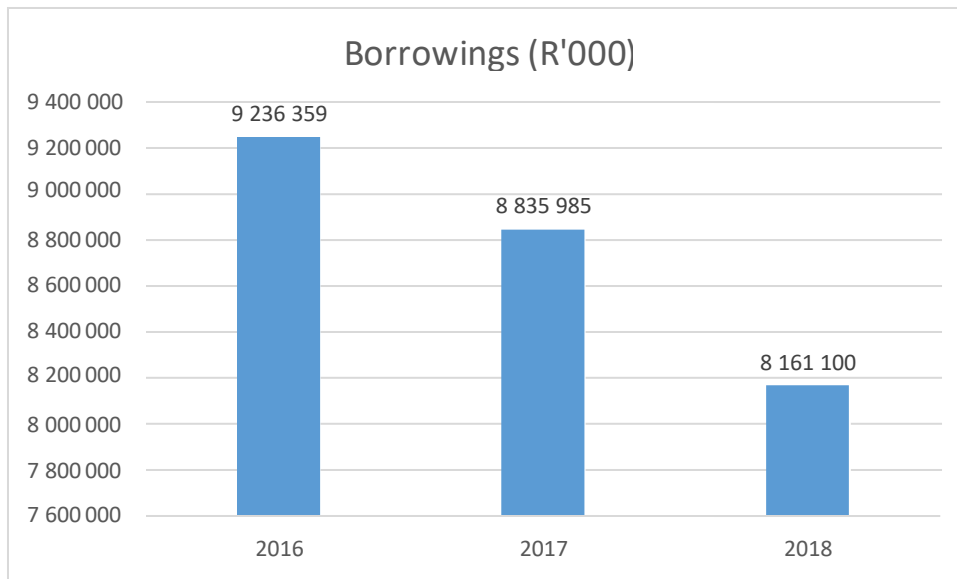
2017/2018	2018/2019	2019/2020
20%	19%	17%

AVERAGE RATE OF RETURN ON INVESTMENT

	2016/17	2017/18
Average rate of return on investments	8.45%	8.54%

BORROWINGS

Actual Borrowings 2015/16 - 2017/18			
Instrument	2015/2016	2016/2017	2017/2018
	R'000	R'000	R'000
Long-term loans (annuity / reducing balance)	9,236,359	8,835,985	8,161,100
TOTAL	9,236,359	8,835,985	8,161,100



Financial Year	Borrowings (R'000)
2016	9,236,359
2017	8,835,985
2018	8,161,100

COMMENTS ON BORROWINGS

The Municipality entered into a Loan Agreement with Nedbank to borrow R 1.0 billion in order to fund its 2017/2018 Capital Expenditure. However, due to unfavourable economic conditions, the drawdown of R 1.0 billion only took place in July 2018.

As per the 2018/19 – 2020/21 MTREF, the Municipality budgeted to raise a long term loan of R 1.0 billion from the external funding sources in 2018/19 financial year. This is to ensure that critically needed expenditure continues and service delivery programme is not disrupted or postponed.

The eThekweni Municipality Council approved the establishment of the Domestic Medium Term Programme (DMTN) for a total amount of R10 Billion. The purpose of the DMTN Programme is to enable a borrower like the Municipality to issue a wide range of debt instruments such as fixed and floating interest rate debt, with long and short tenors as well as structured debt products. The R10 Billion will not be utilised at once but will act as a facility which can be accessed by the Municipality to borrow as and when borrowings are required.

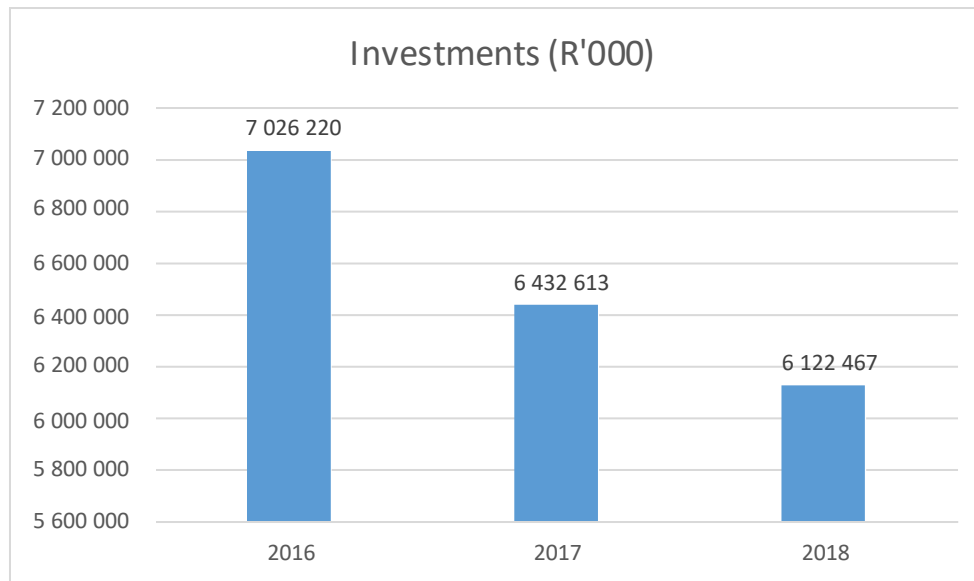
The tender process for appointment of the Lead Arranger for establishment of a DMTN Programme at eThekweni Municipality for 36 months commenced in 2017/18 financial year. The tender was approved by Bid Specification Committee in June 2018 and the Lead Arranger is expected to be appointed in the second half of 2018/19 financial year.

INVESTMENT

AVERAGE RATE OF RETURN ON INVESTMENT

	2016/17	2017/18
Average rate of return on investments	8.450%	8.535%

Municipal Investments			
R' 000			
Actual Municipal Investments 2015/16 - 2017/18			
Investment type	2015/2016	2016/2017	2017/2018
Fixed Deposit	6,620,000	5,932,097	5,880,431
Call Deposits	406,220	500,516	242,036
TOTAL	7,026,220	6,432,613	6,122,467



Financial Year	Investments (R'000)
2016	7,026,220
2017	6,432,613
2018	6,122,467

The total investments include fixed investments, call investments and current account as at 30 June each year.

SUPPLY CHAIN MANAGEMENT

Substantial progress has been made on proactively dealing with irregular expenditure through screening of all companies prior to registration onto the database and audit control checklist for reports coming to BEC & BAC.

Numbers of interventions, including the following, were implemented over the years in order to reduce the occurrence of irregular expenditure: Use of improve tender document that enforce contractor to signed declaration of interest. Payments vouchers were reviewed before processing for compliance with SCM. Conflict of interest task team that review conflict of interest cases being identified and recommend corrective actions. SCM policy was reviewed and also updated with latest MFMA circulars.

Management has implemented controls to effectively prevent and detect irregular expenditure from the placing of an order to the actual payment. Payments are not released if they are irregular and the expenditure is not regularized, however audit comments are noted.

The increase in irregular expenditure is as a result of matters outside of the control environment and these matters are either under investigation or as a result of unforeseen circumstances.

All irregular expenditure identified is reported to and investigated by the CIU. In addition, a consequence management monitoring schedule is maintained. After considering the matters outside of the control environment, the Irregular expenditure has declined in comparison to the prior year.

GRAP COMPLIANCE

GRAP is the acronym for **Generally Recognised Accounting Practice and it provides the rules by which** municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information

on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

The Municipality is fully GRAP compliant. The current year accounting framework is consistent with the previous year.

The requirements as per the Accounting Standards Board will be the improved Standards of GRAP & IGRAPS. IGRAP is the acronym for Improved Generally

CHAPTER SIX: AUDITOR GENERAL REPORT AND MANAGEMENT RESPONSE

6.1 AUDITOR GENERAL REPORT 2017/2018 FINANCIAL YEAR

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the council on eThekweni Municipality and its municipal entities

Report on the audit of the consolidated and separate financial statements

Opinion

1. I have audited the consolidated and separate financial statements of the eThekweni Municipality and its municipal entities set out on pages 735 to 860, which comprise the consolidated and separate statement of financial position as at 30 June 2018, the consolidated and separate statement of financial performance, the statement of changes in net assets, the cash flow statement and the statement of comparison of budget information with actual information for the year then ended, as well as the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.
2. In my opinion, these consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the eThekweni Municipality and its municipal entities as at 30 June 2018, and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2016 (Act No. 3 of 2016) (DORA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the consolidated and separate financial statements section of this auditor's report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these

requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Significant uncertainties

7. As disclosed in note 42 to the consolidated and separate financial statements, various legal claims were lodged against the municipality. The ultimate outcome of these claims was not determinable at year-end, hence the consolidated and separate financial statements did not include any liabilities that could have resulted from them.

Material debt impairments and losses

8. As disclosed in note 7 to the consolidated and separate financial statements, the municipality recognised a provision for bad debts of R4,65 billion (2016-17: R3,31 billion) on consumer debtors, as the recoverability of these amounts was doubtful.
9. As disclosed in note 49 to the consolidated and separate financial statements, material water losses of 105,22 million kilolitres (2016-17: 108,83 million kilolitres) were incurred by the municipality, which resulted in revenue losses of R714 million (2016-17: R646 million). These losses arose from ageing and deteriorating infrastructure coupled with illegal connections.
10. As disclosed in note 49 to the consolidated and separate financial statements, material electricity losses of 783,51 million kilowatt hours (2016-17: 844,49 million kilowatt hours) were incurred by the municipality, which resulted in revenue losses of R590 million (2016-17: R632 million) These losses arose as a result of a combination of transmission and distribution losses as well as illegal connections.
11. As disclosed in note 49 to the consolidated and separate financial statements, material losses of R1,413 million (2016-17: R830 million) were incurred by the municipality due to write offs on irrecoverable debts relating to rates, services, housing and sundry debtors.

Fruitless and wasteful expenditure

12. As disclosed in note 50 to the consolidated and separate financial statements, the municipality and its municipal entities incurred fruitless and wasteful expenditure of R29,53 million as a result of interest and penalties.

Other matter

13. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure notes

14. In terms of section 125(2)(e) of the MFMA, the municipality and the municipal entities is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the consolidated and separate financial statements and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the consolidated and separate financial statements

15. The accounting officer is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA, Dora and for such internal control as the accounting officer determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.
16. In preparing the group financial statements, the accounting officer is responsible for assessing the eThekweni municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or cease operations, or there is no realistic alternative but to do so.

Auditor-general's responsibilities for the consolidated and separate audit of the financial statements

17. My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that

includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

18. A further description of my responsibilities for the audit of the consolidated and separate financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

19. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
20. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
21. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objectives presented in the annual performance report of the municipality for the year ended 30 June 2018:

Objectives	Pages in the annual performance report
Plan 3 - Creating a quality living environment	659 - 683
Plan 8 - Financially accountable and sustainable city	725 - 728

22. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
23. I did not raise any material findings on the usefulness and reliability of the reported performance information for the creating a quality living environment and financially accountable and sustainable city objectives in respect of the municipality.

Other matters

24. I draw attention to the matters below.

Achievement of planned targets

25. The annual performance report for the municipality on pages 639 to 728 includes information on the achievement of planned targets for the year.

Adjustment of material misstatements

26. I identified material misstatements in the municipality's annual performance report submitted for auditing. These material misstatements were on the reported performance information of creating a quality living environment objective. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Report on the audit of compliance with legislation

Introduction and scope

27. In accordance with the PM and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
28. The material findings on compliance with specific matters in key legislation that relate to the municipality are as follows:

Expenditure management

29. Reasonable steps were not taken to prevent irregular expenditure of R732,56 million as disclosed in note 50 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was as a result of non-compliance with supply chain management (SCM) regulations with respect to the procurement of goods and services.

Procurement and contract management

30. Some of the quotations were accepted from bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM regulation 13(c).

Other information

31. The accounting officer is responsible for the other information. The other information comprises the information to be included in the annual report. The other information does not include the consolidated and separate financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported in this auditor's report.
32. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
33. In connection with my audit, my responsibility is to read the other information

and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements and the selected objectives presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

34. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate; however, if it is corrected this will not be necessary.

Internal control deficiency

35. I considered internal control relevant to my audit of the separate financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it
36. The matter reported below is limited to the significant internal control deficiency that resulted in the findings on compliance with legislation included in this report.
37. Management did not adhere to the SCM policy and the applicable legislation, resulting in increased irregular expenditure. Officials were not appropriately disciplined for transgressions as consequence management was not strictly enforced.

Other reports

38. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

Investigations

39. At the request of the accounting officer, the city integrity and investigations unit performed internal investigations, which were based on allegations of financial misconduct and non-compliance with SCM regulations by council officials. The accounting officer is currently assessing the recommendations for the cases that have been finalised.

Auditor - General



Pietermaritzburg 12 December 2018

Annexure - Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional skepticism throughout my audit of the consolidated and separate financial statements, and the procedures performed on reported performance information for selected objectives and on the municipality's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the consolidated and separate financial statements as described in this auditor's report, I also:
 - identify and assess the risks of material misstatement of the consolidated and separate financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the eThekweni Municipality's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease continuing as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I *am* responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

6.2 MANAGEMENT RESPONSES

MANAGEMENT RESPONSES TO 2017-18 AUDIT REPORT AS REQUIRED BY SECTION 121(3) (g) OF THE MFMA

EMPHASIS OF MATTER

- **Significant uncertainties**

As disclosed in note 42 to the financial statements, various legal claims were lodged against the municipality. The ultimate outcome of these claims was not determinable at year-end, hence the financial statements did not include any liabilities that could have resulted from them.

MATERIAL LOSSES AND DEBT IMPAIRMENTS

- **Water loss**

As disclosed in note 49 to the financial statements, material water losses of 105, 22 million kilolitres (2016-17: 108, 83 million kilolitres) were incurred, which resulted in revenue losses of R714 million (2016-17: R646 million). These losses arose from aging and deteriorating infrastructure coupled with illegal connections.

Actions being taken to reduce water losses

In line with the current WCWDM Strategic Plan, EWS is implementing a number of initiatives, the highlights of which are as follows:

1. Maintenance of Pressure Reducing Valves (PRV's) to ensure that they operate at their designed minimum pressure setting.
2. The Leak Detection and Repair Strategy with a total of up to 16 Category B plumbers in formal and informal areas assisting in the repair of non-visible leaks.
3. Installation of meters in the Rural Areas (ITB land).
4. Meter replacement for domestic consumers.
5. Replacement of Institutional, Commercial and Industrial (ICI) meters.

- **Electricity losses**

As disclosed in note 49 to the financial statements, material electricity losses of 783, 51 million kilowatt hours (2016-17: 844, 49 million kilowatt hours) were incurred, which resulted in revenue losses of R590 million (2016-17: R632 million), as a result of a combination of transmission and distribution losses as well as losses due to illegal connections.

Actions being taken to reduce electricity losses

Transmission and Distribution Losses

- i) Optimal Network Configuration: The Planning and Design engineers ensure that all network additions are implemented with correct equipment ratings and configuration so as to minimize losses.
- ii) Effective Maintenance on Network: The unit has adopted a maintenance schedule to promote the reliability of the network as well as enhance the efficiency of the network.

iii) Efficient Network Loading: Power flow into the network is carefully monitored on a 24 hour basis and an efficient electrical loading configuration is adopted.

Non-Technical Losses

j) The Revenue Protection Branch continuously investigate high theft area's to remove all illegal Connections and tampered connections.

ii) Installation robust and secure Consumer Distribution Units and meter room doors to discourage tampering.

iii) Monitoring of consumers purchase patterns to identify possible theft.

- **Bad debts written off**

As disclosed in note 49 to the financial statements, material losses of R1, 413 billion (2017: R830 million) were incurred due to write offs on irrecoverable debts relating to rates, services, housing, traffic fines and sundry debtors.

Included in the bad debts written off figure is an amount of R 1, 4 billion relating to traffic fines following a directive issued by the National Prosecuting Authority to write off traffic fines in respect of summons not served within eighteen months from the date of the offence and withdrawal of warrants not executed within two years from date of issue.

Actions being taken to improve collectability of traffic fines

1. Issuing of summons to improve collection in terms of traffics fines.
2. Enforceability of issued summons through legal processes by issuing warrant of arrests for those that do not act on summons.
3. Holding more road blocks in an attempt to recover monies from traffic offenders.

- **Provision for bad debts**

As disclosed in note 7 to the financial statements, the municipality recognised a provision for bad debts of R4, 56 billion (2016-17: R3, 31 billion) on consumer debtors, as the recoverability of these amounts was doubtful.

Actions being taken to improve collection of consumer debtors

1. Close monitoring of disconnections and removal of meters for repeated tampering.
2. Identify collectable debt and increase efforts to collect
3. Issue summons and follow with legal process
4. Ensure that judgements are taken for customers that default on their agreements
5. Ensure that the revenue system is fully utilised to assist staff in collecting debt.

COMPLIANCE WITH LAWS AND LEGISLATION

- **Expenditure management: Irregular expenditure**

Management has implemented sufficient controls to effectively prevent and detect irregular expenditure from the placing of an order to the actual payment. Payments are not released if Irregular and the expenditure not regularized, however audit comments are noted. The increase in irregular expenditure is as a result of matters outside of the control environment and these matters are either under investigation or as a result of unforeseen circumstances.

All irregular expenditure identified is reported to and investigated by the CIIU. In addition, a consequence management monitoring schedule is maintained. After considering the matters outside of the control environment, the Irregular expenditure has declined in comparison to the prior year.

Actions being taken to reduce irregular expenditure

- **Internal control deficiencies**

1) Quotations Management:

- a) Potential limitation of scope was identified where record-keeping on quotations were lacking in order to provide information timeously to the auditors;
- b) The award of quotations made to the person who did not score the highest in terms of price & preference, or fewer than 3 quotes were received, did not have the necessary authority to proceed.

i) Action:

(1) SCM to re-issue/revise Circular dealing with the receipt of quotations to address the above.

(2) SCM to fast-track the implementation of the Acquisitions Module of the eProcurement System, which will require electronic capture of all quotations and associated information, the status of the implementation plan for which is as follows:

(a) Appointment of service provider for integration to the JDE1 System (completed).

(b) Integration, Change Management and Roll-out (planned completion date of 30 June 2019).

2) Record-keeping:

- a) In cases where extreme urgency was placed on the procurement event, and/or it has serious implications on service delivery, certain mandatory documentation was not included in file at Tenders and Contracts Co-ordination, i.e. AFS, MBD4, etc. (also resulted in irregular expenditure).

i) Action:

- (1) SCM to ensure that all Clusters and Units are re-issued the requirements of the SCM Control Checklist to improve compliance with the current controls.*
- (2) Bid Committees to ensure that decisions are taken on proof of documentation being in order and, where deficient, follow-up is provided where 'subject to' decisions are made within reasonable*

APPENDIX A: COUNCILLOR, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

No.	Surname	First Name	Full Time / Part Time	Committees Allocated	% Meeting Attendance	% Apologies for Non Attendance	Ward No.	Party	% Total Attend.	% Total Apologies
1	Ally	Mohammed Ahmed	PT	COUNCIL/SPKR/S&ESC/COC	92/83/100/67	0/50/-0	PR 1	PR-AL JAMA-AH	85.5	16.6
2	Annipen	Jonathan	PT	COUNCIL/SPKR/CSC	100/58/44	-80/100	PR 1	PR-MF	67.3	90
3	Beetge	Andre	PT	COUNCIL/MPAC	100 /100	-/-	97	DA	100	0
4	Bhanprakash	Satishrai	PT	COUNCIL/ETHICS/ECOD/TPAPPLS	100/70/86	-30/14	PR 6	PR-IFP	85.3	22
5	Bhengu	My-Pet Ntombifuthi	PT	COUNCIL/CSC/HRD: HU/LLF:HU	92/89/29/56	100/100/30/50	PR 27	PR-ANC	66.5	70
6	Bhengu	Mlungisi Caiphus	PT	COUNCIL/CSC	100/89	-0	PR 17	PR-DA	94.5	0
7	Biyela	Nokufika Cynthia	PT	COUNCIL/HS&I	100/89	-/-	38	ANC	94.5	0
8	Biyela	Thembinkosi	PT	COUNCIL/ECOD/EMIEF/EAC	83/90/100/67	100/10/100	PR 4	PR-IFP	85	70
9	Brauteseth	Melanie	PT	COUNCIL/CSC	100/78	-50	18	DA	89	50
10	Brijmohan	Sunil	PT	COUNCIL/S&ESC	83/22	0/0	90	ANC	52.5	0
11	Burne	Warren Jerome DeMarigny	PT	COUNCIL/ETHICS/ECOD	100/89/100	-0	30	DA	96.3	0
12	Butelezi	Stanley Sakhephi	PT	COUNCIL/CSC/LLF: CSC/HRD: HU/LLF: HU	92/78/50/0/56	0/50/75/50/50	16	ANC	55.2	45
13	Caluza	Vuyiswa Precious	PT	COUNCIL/ECOD	83/80	100/20	PR 26	PR-ANC	81.5	60

14	Cele	Hlengiwe	PT	COUNCIL/ECOD/EAC	100/100/67	-/0	PR 18	PR- ANC	89	0
15	Cele	Nana Tryphina	PT	COUNCIL/CSC	75/67	100/33	PR 34	PR- ANC	71	66.5
16	Chetty	Johnson	PT	COUNCIL/ECOD/ULF: C&SW	100/50/100	-/0	106	DA	83.3	0
17	Chili	Bonke Armstrong	PT	COUNCIL/G&HR	92/55	0/50	3	ANC	73.5	25
18	Cibane	Thinta Junior Talent	PT	COUNCIL/S&ESC	67/33	100/33	PR 50	PR- ANC	50	66.5
19	Cloete	Reginald	PT	COUNCIL/CSC	92/78	0/100	13	ANC	85	50
20	Collins	Terence Peter	PT	COUNCIL/MPAC	92/95	100/0	PR 9	PR-DA	93.5	50
21	Crouch	Richard John	PT	COUNCIL/S&ESC	50/33	25/50	10	DA	41.5	37.5
22	David	Marcelle	PT	COUNCIL/S&ESC	92/100	100/0	PR 29	PR-DA	96	50
23	De Boer	Heinz Ulrik	FT	COUNCIL/EXCO/EXCO APP/HS&I/LLF: T&OCM/HRD: TREASURY	92/90/71/78/5 0/100	100/67/50/1 00/60/-	35	DA	80.1	75.4
24	De Boer	Shontel Veronica	PT	COUNCIL/CSC/LLF: CSC	92/89/50	100/0/100	PR 8	PR-DA	77	66.6
25	De Lange	Grace Thembelihle	PT	COUNCIL/HS&I	92/67	100/100	85	ANC	79.5	100
26	Dladla	Muziwenyanga Amon Kumakwabo	PT	COUNCIL/CSC/HRD: HU/LLF:HU	92/100/63/56	0/0/25/75	82	ANC	77.7	25
27	Dlamini	Alliam Nkosiphendule	PT	COUNCIL/S&ESC/LLF: MP	67/56/0	50/75/20	91	ANC	41	48.3
28	Dlamini	Conrad Bongumusa	PT	COUNCIL/MPAC	100/100	- /-	26	ANC	100	0
29	Dlamini	Jabu Alice	PT	COUNCIL/CSC	83/89	50/100	92	ANC	86	75

30	Dlamini	Sibusiso Blessing	PT	COUNCIL/HS&I	83/78	0/-	5	ANC	80.5	0
31	Dlamini	Sindisiwe Gabriella	PT	COUNCIL/ECOD/CC	92/90/50	0/50/0	PR	PR-ANC	77.3	16.6
32	Dlamini	Sindisiwe Rosemary	PT	COUNCIL/G&HR/CC	92/67/50	100/67/50	86	ANC	69.6	72.3
33	Dlomo	Mandlenkosi Petrus	PT	COUNCIL/ETHICS/HS&I	83/67/44	100/100/50	PR 42	PR-ANC	64.6	83.3
34	Fortein	Barbara Agnes	FT	COUNCIL/EXCO/EXCO APP/G&HR/LLF: T&OCM/EAC	100/90/100/67 /54/67	-/100/- /100/100/0	PR 3	PR-ANC	79.6	75
35	Gebashe	Vuzi Emmanuel	PT	COUNCIL/S&ESC/COC	83/89/100	50/50/-	55	ANC	90.6	50
36	Goge	Hleziphi Doreen	PT	COUNCIL/G&HR	33/33	75/100	PR 10	PR-ANC	33	87.5
37	Gokool	Riona	PT	COUNCIL/HS&I	83/78	100/100	PR 31	PR-DA	80.5	100
38	Govender	Ganas	PT	COUNCIL/G&HR	83/67	50/100	69	DA	75	75
39	Govender	Sathasivan	PT	COUNCIL/HS&I	92/89	0/-	70	DA	90.5	0
40	Govender	Yogiswarie	PT	COUNCIL/CSC	100/89	-/0	PR 15	PR-DA	94.5	0
41	Graham	Nicole Lee	FT	COUNCIL/ETHICS//EXCO /EXCOAPPEALS/LLF: T&OCM/ECOD	83/56/100/100 /100/60	50/75/-/- /30	PR 16	PR-DA	83.1	51.6
42	Graham	Peter John Cunningham	PT	COUNCIL/S&ESC/ULF: F&ES&DM&EC	75/78/17	67/100/20	110	DA	56.6	62.3
43	Gumede	Buyisiwe Rebecca	PT	COUNCIL/HS&I	92/100	0/-	99	ANC	96	0
44	Gumede	Nokukhanya Pearl	PT	COUNCIL/S&ESC/LLF: MP	92/92/100/100	100/75/100/ -/	PR	PR-ANC	72.3	91.6
45	Gumede	Ntombifuthi Clerice	PT	COUNCIL/SPKR/CSC/EAC	67/75/78/33	75/33/100/0	PR 7	PR-IFP	63.2	52

46	Gumede	Thembelani Richman	PT	COUNCIL/CSC	100/78	-/0	PR 18	PR-DA	89	0
47	Gumede	Zandile Ruth Thelma	FT	COUNCIL/EXCO/EXCO APPEALS/CC/ETA/EAC	67/93/86/50/100/33	100/100/100/50/100	PR 1	PR-ANC	71.5	90
48	Gushu	Zanele Doris	PT	COUNCIL/ECOD	100/100	-/	PR 22	PR-ANC	100	0
49	Gwala	Mzwethu Sandile	PT	COUNCIL/HS&I	92/100	100/-	39	IFP	96	100
50	Haniff	Mahomed Hassan	PT	COUNCIL/HS&I	100/89	-/100	25	DA	94.5	100
51	Hegter	Gavin James	PT	COUNCIL/CSC/HRD: HU/LLF:HU	100/67/63/67	- /33/25/100	64	DA	74.2	52.6
52	Hlomuka	Nomvula Prudence	PT	COUNCIL/CSC	92/78	100/50	94	ANC	85	75
53	Hlophe	Richard Conduct	PT	COUNCIL/ETHICS/S&ESC	100/89/44	75/100/60	PR 48	PR-ANC	77.6	78.3
54	Hoosen	Sharon	FT	COUNCIL/EXCO/SPKR/EXCOAPP/S&ESC	100/93/67/57/67	- /50/50/33/100	71	DA	76.8	58.25
55	Hoosman	Nafisa Bi	PT	COUNCIL/S&ESC	100/100	-/0	PR 40	PR-ANC	100	0
56	Iyir	Noorharpersadh BIRTHARTEE	PT	COUNCIL/MPAC	92/95	100/0	PR 2	PR-IFP	93.5	50
57	Johnson	Joyce Agatha	PT	COUNCIL/CSC/ULF: F&ES&DM&EC	83/78/33	100/50/0	11	ANC	64.6	50
58	Johnson	Managi	PT	COUNCIL/G&HR	92/100	0/-	51	DA	96	0
59	Kaunda	Sipho Alam	FT	COUNCIL/EXCO/ECOD/EXCO APP/LLF: T&OCM/HRD: TREASURY/EAC	100/100/80/100/36/ /75/100	-/-/ /20/100/25/ -	PR 31	PR-ANC	84.4	48.3
60	Khanyile	Dudu Mirriam	PT	COUNCIL/ECOD/EMIEF	83/50/75	50/20/0	PR 4	PR-EFF	69.3	23.3
61	Khanyile	Eunice Sibongile	PT	COUNCIL/G&HR	67/44	75/-	75	ANC	55.5	75

62	Khubone	Kuthula Nomfundo Nomthanazo	PT	COUNCIL/ECOD	92/90	100/10	PR 28	PR-DA	91	55
63	Khuboni	Joseph Simon	PT	COUNCIL/G&HR	92/100	100/-	45	ANC	96	100
64	Khumalo	Princess Zanele	PT	COUNCIL/G&HR	100/100	-/-	62	ANC	100	0
65	Khubisa	Hlengiwe Lungile	PT	COUNCIL/S&ESC	100/56	-/0	PR 41	PR-ANC	78	0
66	Khuzwayo	Ntandoyenkosi Lucky	PT	COUNCIL/HS&I/LLF: C&SW/CC	92/89/100/100	0/100	28	ANC	95.25	50
67	Khuzwayo	Sduduzo	PT	COUNCIL/ETHICS/S&ESC/EAC/CC	92/67/44/0/0/0	100/100/60/0/0/50	108	ANC	33.8	51.6
68	Khuzwayo	Zamani Wiseman	PT	COUNCIL/HS&I	92/89	100/100	PR 30	PR-DA	90.5	100
69	Khwela	Sibusiso Nonoza Cedrick	PT	COUNCIL/S&ESC/LLF: MP	92/44/100	100/20/-	17	ANC	78.6	60
70	Laing	Caelee Jane	PT	COUNCIL/G&HR	100/89	-/100	PR 23	PR-DA	94.5	100
71	Langa	Christopher Bonginkosi	PT	COUNCIL/G&HR	92/89	100/100	PR 7	PR-DA	90.5	100
72	Luthuli	Pearl	PT	COUNCIL/MPAC	92/86	100/100	PR 17	PR-ANC	89	100
73	Luthuli	Thabane Jacques	PT	COUNCIL/MPAC	92/100	100/-	PR 52	PR-ANC	96	100
74	Mabanga	Thandanani Njabulo	PT	COUNCIL/SPKR/ECOD	58/17/50	60/40/10	107	IND	41.6	36.6
75	Mabaso	Margaret Thandi	PT	COUNCIL/G&HR	100/100	-/-	PR 38	PR-ANC	100	0
76	Macpherson	Rory Dean	PT	COUNCIL/ECOD	75/70	33/30	PR 6	PR-DA	72.5	31.5
77	Madlala	Nkosenhle Innocent	PT	COUNCIL/ECOD/CC/LLF:ECOD/TPAPP LS/ETA	75/80/100/50/71/-	67/20/50/14	PR	PR-ANC	75.2	37.75

78	Maharaj	Ashok	PT	COUNCIL/HS&I	100/100	-/-	34	DA	100	0
79	Majola	Bongani	PT	COUNCIL/G&HR	92/78	0/100	59	ANC	85	50
80	Makhanya	Thembehle Goodhope	PT	COUNCIL/HS&I	92/78	100/-	96	ANC	85	100
81	Makhanya	Zanele Pearl	PT	COUNCIL/S&ESC	92/100	100/0	PR 47	PR- ANC	96	50
82	Maluleka	Ntombifuthi Zamathomoyo	PT	COUNCIL/ECOD/CC	92/60/100	0/20	PR 16	PR- ANC	84	10
83	Manqele	Menzi Wilfred	PT	COUNCIL/ECOD/EMIEF	100/70/75	-25/10	109	ANC	81.6	17.5
84	Mapena	William Lekgoa	PT	COUNCIL/SPKR	100/100	-/-	PR 4	PR- ANC	100	0
85	Maphumulo	Sibusiso David	PT	COUNCIL/HS&I	75/55	100/67	88	ANC	65	83.5
86	Mbambo	Patric Mandla	PT	COUNCIL/HS&I	100/100	-/-	20	ANC	100	0
87	Mbanjwa	Vusumuzi	PT	COUNCIL/SPKR/HS&I	100/75/89	-0/-	103	IND	88	0
88	Mbele	Abegail Makhosi	PT	COUNCIL/G&HR	92/89	100/100	67	ANC	90.5	100
89	Mdlalose	Sebastian Mlungisi	PT	COUNCIL/S&ESC/COC/HS&I	75/89/0/67	100/0/0/67	PR 5	PR- EFF	57.7	41.7
90	Mdletshe	Fakazi Witness	PT	COUNCIL/G&HR	100/78	-/100	60	ANC	89	100
91	Meyer	Lukas Marthinus	PT	COUNCIL/HS&I/EAC	83/67/67	100/67/0	27	DA	72.3	55.6
92	Mfeka	Patrick	PT	COUNCIL/ECOD	75/60	100/20	14	ANC	67.5	60
93	Mfusi	Thulile Patricia	PT	COUNCIL/HS&I	58/67	100/100	PR 2	PR- EFF	62.5	100
94	Mhlaba	Khaya	PT	GOUNCIL/SPKR/G&HR	50/50/78	67/0/50	PR 1	PR-AIC	59.3	39

95	Mhlongo	Gloria Nelisiwe	PT	COUNCIL/S&ESC	100/89	-/0	43	ANC	94.5	0
96	Mhlongo	Sikelela Emmanuel	PT	COUNCIL/S&ESC	83/89	50/100	PR	PR-DA	86	75
97	Mjadu	Mbangezi Bhokisisa	PT	COUNCIL/CSC	92/100	100/-	89	IFP	96	100
98	Mkhize	Adelaide Zandile	PT	COUNCIL/S&ESC	100/78	-/100	PR 19	PR-DA	89	100
99	Mkhize	Bongumusa Anthony	PT	COUNCIL/G&HR/LLF: G&HR	58/89/37	80/100/60	1	ANC	61.3	80
100	Mkhize	Happy Girl Bathobile	PT	COUNCIL/HS&I/LLF: W&SU	100/100/75	-/-/50	42	ANC	91.6	50
101	Mkhize	Khethukuthula Vincent	PT	COUNCIL/CSC	100/89	-/0	PR	PR-DA	94.5	0
102	Mkhize	Maxwell Mvikelwa	PT	COUNCIL/ECOD	92/40	100/50	2	ANC	66	75
103	Mkhize	Mbuyiseni Percival	PT	COUNCIL/HS&I/LLF: HS&I/LLF: EU	83/44/10/37	0/60/44/-	100	ANC	43.5	34.6
104	Mkhize	Sibongiseni	PT	COUNCIL/CSC	83/89	0/0	22	ANC	86	0
105	Mkhize	Sifiso Mfanufikile	PT	COUNCIL/ECOD/LLF: ECOD/TPAPPLS	75/70/83/71	67/20/17/14	PR 33	PR- ANC	74.75	29.5
106	Mkhwanazi	Sicebi Mandlakayise	PT	COUNCIL/G&HR	92/100	0/-	54	ANC	96	0
107	Mncube	Patrick Simphiwe	PT	COUNCIL/CSC	100/89	-/100	9	ANC	94.5	100
108	Mncwango	Zwakele Maxwell	FT	COUNCIL/EXCO/EXCO APPEALS	63/63/20	100/86/50	PR 2	PR-DA	48.6	78.6
109	Mngadi	Edward	PT	COUNCIL/ETHICS/G&HR	75/78/100	100/100/-	PR 1	PR-IFP	84.3	100
110	Mngadi	Senzo Vusithemba	PT	COUNCIL/S&ESC	92/67	100/0	PR 37	PR- ANC	79.5	50
111	Mngadi	Sifiso Braveman	PT	COUNCIL/CSC	100/78	-/100	24	ANC	89	100

112	Mnguni	Lungile Claire	PT	COUNCIL/MPAC	75/86	100/33	PR 7	PR-EFF	80.5	66.5
113	Mnguni	Ntombizodwa Enid	PT	COUNCIL/MPAC	92/100	100/-	PR 8	PR-ANC	96	100
114	Mngwengwe	Bhekizazi Vincent	PT	COUNCIL/HS&I/LLF: HS&I	92/55/70	0/100/20	83	ANC	72.3	40
115	Mngwengwe	Lucky Nhlanhla	PT	COUNCIL/ECOD	100/90	-/0	6	ANC	95	0
116	Moodley	Shunmugam Ramsamy	PT	COUNCIL/SPKR/S&ESC/COC	92/67/56/	100/0/50	PR 1	MOSA	71.6	50
117	Moonsamy	Soobramoney	PT	COUNCIL/S&ESC/CC/LLF: MP	100/100/0/80/100	-/-/100	PR 9	PR-ANC	76	100
118	Mpanza	Brenda	PT	COUNCIL/ECOD/TPAPPLS	92/100/86	0/14	PR	PR-ANC	92.6	7
119	Mpanza	Sibusiso	PT	COUNCIL/HS&I	92/89	100/-	72	ANC	90.5	100
120	Mshengu	Selby Nhlanhla Lucky	PT	COUNCIL/ECOD	100/90	-/10	PR 14	PR-DA	95	10
121	Msomi	Bawinile	PT	COUNCIL/G&HR	83/78	50/-	PR 3	PR-EFF	80.5	50
122	Mthembu	Lindiwe Glorious	PT	COUNCIL/ECOD	100/100	-/	PR 25	PR-ANC	100	0
123	Mthembu	Maniza Gcinekile Florencia	PT	COUNCIL/S&ESC	83/89	50/100	PR 36	PR-ANC	86	75
124	Mthembu	Mondli Michael	FT	COUNCIL/EXCO/EXCO APPEALS/HS&I/LLF: T&OCM/HRD: TREASURY/ETA/EAC	92/100/100/67/0/-/100/0	100/-/-/100/91/100/50	PR 5	PR-ANC	65.5	88.2
125	Mthembu	Mveli	PT	COUNCIL/S&ESC	100/89	-/0	29	ANC	94.5	0
126	Mthembu	Nomusa Euna	PT	COUNCIL/ECOD/TPAPPLS/LLF: ECOD	42/40/71/33	43/60/29/17	81	ANC	46.5	37.25
127	Mthembu	Octavia Nolubabalo	PT	COUNCIL/S&ESC	42/89	71/100	74	ANC	65.5	85.5

128	Mthethwa	Thabani-Mbongiseni	PT	COUNCIL/SPEAKER/MPAC	100/100/86	0/-/67	PR 10	PR-DA	95.3	33.5
129	Mthiyane	Tholithemba Tobias	PT	COUNCIL/G&HR	83/78	50/50	PR 8	PR-EFF	80.5	50
130	Munien	Nagammah	PT	COUNCIL/G&HR	92/78	100/100	61	DA	85	100
131	Mwubu	Andreas Bhekumuzi	PT	COUNCIL/S&ESC	92/67	100/33	19	ANC	79.5	66.5
132	Mzobe	Robert Mshiyeni	PT	COUNCIL/S&ESC	100/100	-/0	76	ANC	100	0
133	Naidoo	Bob Daniel	PT	COUNCIL/G&HR/EAC	100/100/100	-/-/-	PR 22	PR-DA	100	0
134	Naidoo	Jane	PT	COUNCIL/S&ESC/COC	83/56/67	100/50/0	PR 8	PR-IFP	68.6	50
135	Nair	Marlaine	PT	COUNCIL/ECOD	92/50	100/0	PR 3	PR-DA	71	50
136	Nala	Xolani	PT	COUNCIL/HS&I/LLF: W&SU	100/100/37	-/-/60	23	DA	79	60
137	Ncayiyana	Prudence Lindiwe	PT	COUNCIL/G&HR	100/89	-/100	46	ANC	94.5	100
138	Ndlela	Beauty Phindile	PT	COUNCIL/S&ESC	83/44	0/40	PR 43	PR-ANC	63.5	20
139	Ndlovu	Ayanda Brightman	PT	COUNCIL/HS&I/LLF: W&SU	75/89/75	100/-/50	105	ANC	79.6	75
140	Ndlovu	Purity Busi	PT	COUNCIL/ECOD/EMIEF/TPAPPLS	100/90/75/100	-/25/10	PR 15	PR-ANC	91.25	17.5
141	Ndzimbomvu	Mxolisi Kenneth	PT	COUNCIL/SPKR/CSC/EAC/LLF: CSC/CC/ETA	83/0/89/67/0/50/-	100/42/100/0/100/50	PR 6	PR-ANC	48.1	65.3
142	Ndzoyiya	Zanele Sharon	PT	COUNCIL/G&HR/CC	83/67/50	50/67/50	PR 21	PR-ANC	66.6	55.6
143	Ngcobo	Alfred Sifiso	PT	COUNCIL/CSC	75/89	67/100	15	ANC	82	83.5

144	Ngema	Sithembiso	PT	COUNCIL/ETHICS/HS&I/LLF: HS&I	83/56/67/100	100/100/10 0/-	PR 9	PR-DA	76.5	100
145	Ngiba	Bonginkosi Sipiwe	PT	COUNCIL/SPKR/EAC	58/50/67	80/8/0	PR 1	PR-EFF	58.3	29.3
146	Ngiba	Mkhipheni Muzimuni	PT	COUNCIL/G&HR	92/89	0/100	101	ANC	90.5	50
147	Ngubane	Trevor Thabani	PT	COUNCIL/SPKR/CSC	75/50/67	100/8/33	PR 1	PR-APC	64	47
148	Nhlapho	Sibongile Jeanetty Marcia	PT	COUNCIL/G&HR	75/55	67/50	PR 51	PR-ANC	65	58.5
149	Nkosi	Mduduzi Samuel	FT	COUNCIL/EXCO/EXCO APP/HS&I	83/93/86/100	100/100/10 0/-	PR 3	PR-IFP	90.5	100
150	Nojiyeza	Mthokozisi	PT	COUNCIL/CSC	75/78	100/50	80	ANC	76.5	75
151	Nowbuth	Dharmanand Rugbeer	PT	COUNCIL/ECOD	100/90	-/10	PR 13	PR-DA	95	10
152	Noyce	Gillian Margaret	PT	COUNCIL/ECOD/TPAPPLS	100/90/86	-/14/10	PR 20	PR-DA	92	12
153	Ntshangase	Bridget	PT	COUNCIL/ETHICS/CSC/LLF: CSC/EAC	100/78/100/10 0/67	-/100/-/ /100	PR 13	PR-ANC	89	100
154	Ntshangase	Phiwayinkosi Cedric	PT	COUNCIL/HS&I/LLF: EU	100/100/75	-/-/50	47	ANC	91.6	50
155	Ntshangase	Simangendoba Cyprian	PT	COUNCIL/S&ESC	83/56	100/50	PR 5	PR-IFP	69.5	75
156	Ntuli	Braveman Themubuhle	PT	COUNCIL/CSC/LLF: CSC/LLF: HU/ULF: F&ES&DM&EC	75/89/38/33/3 3	67/100/100/ 33/0	PR 35	PR-ANC	53.6	60
157	Ntuli	Perfect Bheka	PT	COUNCIL/S&ESC	100/89	-/100	5	PR-DA	94.5	100
158	Nxumalo	Nonkululeko Precious	PT	COUNCIL/ECOD/EMIEF	92/100/100	100/	PR 28	PR-ANC	97.3	100

159	Nxumalo	Petros Hlela	PT	COUNCIL/SPKR/G&HR	75/75/67	100/8/33	4	IND	72.3	47
160	Nyaba	Wiseman	PT	COUNCIL/G&HR	92/67	0/33	56	ANC	79.5	16.5
161	Nyanisa	Nelisiwe Nesta	PT	COUNCIL/SPKR/HRD: TREASURY/ECOD/EAC	83/17/100/80/ 67	100/56/- /10/0	PR 12	PR- ANC	69.4	41.5
162	Nyawose	Mishack Sithenjwa	PT	COUNCIL/ECOD/EMIEF	83/70/25	100/10/75	79	ANC	59.3	61.6
163	Nzuza	Theresa Thembi	PT	COUNCIL/CSC	83/78	50/50	PR 32	PR- ANC	80.5	50
164	Pappas	Christopher John	PT	COUNCIL/ECOD/EMIEF/TPAPPLS	100/80/75/86	-20/14	31	DA	85.25	17
165	Peer	Fawzia	FT	COUNCIL/EXCO/EXCO APP/S&ESC/EAC/COC/LLF: MP/ETA	92/97/100/100 /67/80/0/100	100/100/- /- /100/100/10 0	PR 30	PR- ANC	79.5	100
166	Phewa	Bhekokwakhe Welcome	PT	COUNCIL/HS&I	100/100	-/-	44	ANC	100	0
167	Phewa	Jabulani Petros	PT	COUNCIL/CSC	100/78	-/0	7	ANC	89	0
168	Phohlo	Tsibo Knowledge	PT	COUNCIL/G&HR	100/89	-/-	57	ANC	94.5	0
169	Phungula	Bhekithemba Paulus	PT	COUNCIL/ECOD	92/100	0/	84	ANC	96	0
170	Pillay	Devaraj Rama	PT	COUNCIL/G&HR	67/67	50/100	73	DA	67	75
171	Pillay	Donovan Tino	PT	COUNCIL/CSC	92/78	0/50	49	DA	85	25
172	Pillay	Kannagamba Rani	PT	COUNCIL/S&ESC	92/67	100/100	PR	PR-DA	79.5	100
173	Pillay	Patrick	PT	COUNCIL/SPKR/CSC/EAC	100/75/89/100	- /67/100/-	PR 1	PR- DLC	91	83.5
174	Prinsloo	Jean-Pierre	PT	COUNCIL/CSC	75/78	33/50	66	DA	76.5	41.5

175	Pullan	Geoffrey Douglas Ayrton	PT	COUNCIL/ECOD/TPAPPLS	100/100/100	-/	58	DA	100	0
176	Qhantsi	Bongani Richard	PT	COUNCIL/G&HR	83/44	50/60	53	ANC	63.5	58
177	Qwabe	Mfanufikile Derrick	PT	COUNCIL/ECOD	75/80	67/20	21	ANC	77.5	43.5
178	Ramkisson	Amarchand	PT	COUNCIL/S&ESC	100/67	-/67	PR 39	PR-ANC	83.5	67
179	Rampersad	Anoop	PT	COUNCIL/HS&I	75/67	67/33	77	DA	71	50
180	Ryley	Shaun	PT	COUNCIL/S&ESC/LLF: MP/COC	92/89/100/100	100/100/-/-	36	DA	95.2	100
181	Sewshankar	Shamendri	PT	COUNCIL/S&ESC	83/67	50/100	PR 25	PR-DA	75	75
182	Shabalala	Abegail Nomthandazo	PT	COUNCIL/HS&I/LLF: HS&I	100/67/60	-/100/25	87	ANC	75.6	62.5
183	Shabane	Bawinile	PT	COUNCIL/G&HR	83/78	0/100	PR 21	PR-DA	80.5	50
184	Shaheed	Aslam	PT	COUNCIL/SPRK/G&HR	92/83/55	100/50/50	PR	PR-TA	76.6	66.6
185	Shange	Mathabi Goodness	PT	COUNCIL/HS&I/ULF: C&SW	92/100/100	100/-	PR 20	PR-ANC	97.3	100
186	Shelembe	Michael Themba	PT	COUNCIL/ECOD	92/100	100/	8	ANC	96	100
187	Shezi	Emmanuel Siginiseko	PT	COUNCIL/ECOD/EMIEF	92/50/0	0/40/25	PR 46	PR-ANC	47.3	21.6
188	Shezi	Muziwenhlanhla Conelius	PT	COUNCIL/MPAC	100/95	-/100	104	ANC	97.5	100
189	Shezi	Vuzimuzi Herod	PT	COUNCIL/S&ESC	92/56	100/0	PR 3	PR-AIC	74	50
190	Shozi	Buhlebuyeza Petronella	PT	COUNCIL/CSC	67/56	50/50	PR 6	PR-EFF	61.5	50
191	Shozi	Dennis Muziwamasoka	PT	COUNCIL/HS&I	83/89	50/100	PR 7	PR-ANC	86	75

192	Shozi	Hlengiwe Precious	PT	COUNCIL/G&HR/LLF: G&HR/EAC	100/89/57/0	- /100/33/0	PR	PR-DA	61.5	44.3
193	Sibisi	Khethokuhle Siboniso	PT	COUNCIL/ECOD	67/-	0/	PR 2	PR-DA	67	0
194	Sibisi	Mthethelezi	PT	COUNCIL/SPKR/CSC	100/75/89	-33/100	12	IND	88	66.5
195	Sibiya	Ntokozo	PT	COUNCIL/MPAC	58/29	20/100	PR 29	PR-ANC	43.5	60
196	Sikhosana	Patience Nokulunga	PT	COUNCIL/CSC	100/89	-100	PR 49	PR-ANC	94.5	100
197	Singh	Bradley	PT	COUNCIL/G&HR	92/89	100/100	48	DA	90.5	100
198	Singh	Eurika Lyndal	PT	COUNCIL/CSC	100/78	-50	50	DA	89	50
199	Singh	Sagar	PT	COUNCIL/ECOD	92/90	100/10	PR 24	PR-DA	91	55
200	Singh	Samier	PT	COUNCIL/G&HR/LLF: G&HR	100/100/100	-/-	PR 27	PR-DA	100	0
201	Sishange	Patience Samukelisiwe	PT	COUNCIL/ETHICS/CSC/LLF: CSC/EAC/CC	75/11/75/0/33/50	33/100/100/100/100	PR 14	PR-ANC	40.6	86.6
202	Sithole	Nompumelelo Ignatia	PT	COUNCIL/HS&I/LLF: HS&I/CC/ETA	92/78/40/50/100	100/100/50/50	PR 11	PR-ANC	72	75
203	Snyman	Aubrey Desmond	PT	COUNCIL/HS&I/LLF: EU	100/89/100	-/-	68	DA	96.3	0
204	Sokhabase	Zamazulu Ruth	FT	COUNCIL/EXCO/EXCO APP/CSC/AC/ETA	92/93/86/100/33/100	0/50/0/-/100	PR 2	PR-ANC	84	37.5
205	Tembe	Mmabatho	PT	COUNCIL/CSC	92/78	100/50	33	DA	85	75
206	Thabethe	Justice Bkekumuzi	PT	COUNCIL/S&ESC/LLF: MP	92/89/100	100/0/-	98	ANC	93.6	50
207	Thango	Siyabonga	PT	COUNCIL/S&ESC	100/100	-/0	102	ANC	100	0

208	Thring	Wayne Maxim	PT	COUNCIL/SPKR/ECOD	58/50/60	60/33/30	PR 1	PR-ACDP	56	41
209	Van den Berg	Jan Christoffel	PT	COUNCIL/S&ESC	92/89	100/100	63	DA	90.5	100
210	Windvogel	Samantha Magdalene	PT	COUNCIL/HS&I	75/78	100/50	65	DA	76.5	75
211	Xesibe	Cynthia	PT	COUNCIL/G&HR	42/33	71/33	PR 2	PR-AIC	37.5	52
212	Xulu	Mamane Constance	PT	COUNCIL/G&HR/LLF: G&HR	67/33/12	25/67/57	40	ANC	37.3	49.6
213	Xulu	Thokozani Vivian	PT	COUNCIL/HS&I	100/89	-/100	95	ANC	94.5	100
214	Young	Nokuthula Yolanda	PT	COUNCIL/G&HR/LLF: G&HR	92/89/75	0/100/50	PR 19	PR-ANC	85.3	50
215	Zulu	Boxer Moses	PT	COUNCIL/G&HR	100/89	-/100	52	ANC	94.5	100
216	Zulu	Gugu Barbara	PT	COUNCIL/HS&I	92/89	100/-	37	ANC	90.5	100
217	Zuma	Mpumelelo Bukhosibezwe Romeo	PT	COUNCIL/HS&I/LLF: EU/LLF: W&SU	67/89/62/75	25/-/100/50	32	ANC	73.25	58.3
218	Zuma	Thandiwe Meltah	PT	COUNCIL/CSC	75/100	100/-	78	ANC	87.5	100
219	Zungu	Thabisile Gloria	PT	COUNCIL/CSC	83/100	50/-	93	ANC	91.5	50
220	Zwane	Mondli Humphrey	PT	COUNCIL/ECOD	100/70	-/	41	ANC	85	0

Key	Abbreviation	Colour Code
Proportional Representation	PR	
Council	Council	Red
Executive Committee	EXCO	Red
Executive Committee Appeals	EXCO Appeals	Red
Ethics Committee	EC	Red
Speaker's Committee	SPKR	Red
Local Labour Forum: Treasury & Office of the City Manager	LLF:T&OCM	Red
Municipal Public Accounts	MPAC	Blue
Governance & Human Resources	G&HR	Brown
Local Labour Forum : Governance & Human Resources	LLF:G&HR	Brown
Human Settlements & Infrastructure	HS&I	Brown
Local Labour Forum : Human Settlement & Infrastructure	LLS: HS&I	Brown
Local Labour Forum: Electricity Unit	LLF: EU	Brown
LLF: Water & Sanitation Unit	LLF: W&SU	Brown
ULF: Cleasing & Solid Waste	ULF: C&SW	Brown
eThekwini Transport Authority	ETA	Brown

Community Services Committee	CSC	Green
Local Labour Forum : Community Services Committee	LLF: CSC	Green
Security & Emergency Services Committee	S&ESC	Green
Unit Local Labour Forum: Fire & Emergency Services & Disaster Management & Emergency Control	ULF: F&ES&DM&EC	Green
Local Labour Forum: Health Unit	LLF: HU	Green
Human Resources Development: Health Unit	HRD: HU	Green
Civillian Oversight Committee	COC	Green
eThekwini AIDS Council	EAC	Green
Local Labour Forum: Metro Police	LLF: MP	Green
Economic Development & Planning	ECOD	Purple
Town Planning Appeals	TP APPEALS	Purple
eThekwini Municipality Informal Economy Forum	EMIEF	Purple
Climate Change	CC	Purple

NO.	SURNAME	FIRST NAMES	PARTY	NOTES
1	Mncwango	Zwakele Maxwell	PR-DA	Resigned with effect 2018-03-01
2	Crouch	Richard John	DA	Resigned with effect 2018-03-09
3	Sibisi	Khehtokuhle Siboniso	PR-DA	Replaces Cllr ZM Mncwango with effect 2018-04-23

Notes:

NB. The total number of eThekweni Municipality Councillors is 219. However, the attendance statistics records 220 Councillors as it has to cover the overall attendance of all Councillors who have participated in meetings prior to the change in status due to reasons as recorded in the notes column above. There is one vacancy in the Democratic Alliance Party that is still to be filled.

APPENDIX B: COMMITTEE AND COMMITTEE PURPOSE

	Committee	Committee Purpose	No of Meetings Scheduled	No of Meetings held
1.	Council	This is a final decision-making body of the Municipality on issues pertaining to the affairs of the local community. Council holds executive and legislative power of the Municipality. The Council is established in terms of Section 18 of the Municipal Structures Act 117 of 1998. All Councillors of the Municipality serve on Council.	11	13
2.	Executive Committee	This is a Principal Committee of the Municipal Council established in terms of Section 42 of the Municipal Structures Act 117 of 1998. The Committee guides Council to make decision on Municipal functions and programmes as well as the management of administration.	25	25
3.	Committees Established in terms of Section 79 of the Municipal Structures Act 117 of 1998 These are Committees established by the Municipal Council to perform any of its functions or exercise any of its powers.			
3.1	Speaker's Committee	Assist the Speaker to perform statutory duties including managing the conduct of Councillors and the conduct of Council meetings. Responsible for managing Councillor welfare.	11	13
3.2	AIDS Committee	Advises the Executive Committee and Council on the incidence of persons infected and affected by HIV and AIDS within the Municipal area and strategies for a comprehensive Municipal response to HIV and AIDS and related matters. A mandate is drawn from the South African National Aids Council.	4	3
3.3	Municipal Public Accounts	Assists Council to hold the administration, municipal agencies and entities accountable for their management of municipal funds and assets in order to ensure the efficient and effective utilisation of Council resources.	19	21

	Committee	Committee Purpose	No of Meetings Scheduled	No of Meetings held
4.	Committees Established in terms of Section 80 of the Municipal Structures Act 117 of 1998 These are Committees established to assist the Executive Committee. The approach within the eThekweni Municipality is that these Committees align with the Clusters established by the Municipality to oversee the functioning of the respective Clusters.			
4.1	Community Services Committee	Considers and makes recommendations to the Executive Committee and Council on all matters pertaining to Community Services, Health and Social Services.	10	9
4.2	Human Settlements & Infrastructure Committee	Considers and makes recommendations to the Executive Committee and Council on all matters pertaining to electricity, engineering, human settlements, transport, waste management and water & sanitation.	10	9
4.3	Security and Emergency Services	Considers and makes recommendations to the Executive Committee and Council on all matters pertaining to Emergency Services, Safety and Security.	10	10
4.4	Governance and Human Resources Committee	Responsible for corporate administration; promotion of interface between the Municipality and local communities, national and international stakeholders; and human resources matters including skills development.	10	9
4.5	Economic Development & Planning Committee	Deals with promotion of local economic development and investment opportunities in the eThekweni Municipal area. Provides conducive environment to promote entrepreneurship and also oversees regulations pertaining to land use management.	10	10
4.5.1	Town Planning Appeals Committee	This is a sub-Committee of the Economic Development and Planning Support Committee focusing on land use management in terms of subdivision of land; land rezoning; and amendments to Town Planning Regulations.	8	8

	Committee	Committee Purpose	No of Meetings Scheduled	No of Meetings held
4.5.2	EThekweni Municipality Informal Economy Forum	This Committee was established after the adoption of the eThekweni Municipality Informal Economy Policy in February 2001. This Committee serves as a negotiation forum where all organisations are given the opportunity to gain recognition as bona fide representatives, subject to a set criterion.	4	3
4.5.3	Climate Change Committee	The Committee is responsible for considering and reporting to the Executive Committee on the City's efforts to address climate change and the progress made in respect of the implementation of the Durban Climate Change Strategy which addresses both climate adaptation and mitigation.	4	2
5.	Statutory Committees These are Committees established to perform specific functions in compliance with the provisions of legislation.			
5.1	Civilian Oversight Committee	Performs the function of civilian supervision of the Municipal Police Service as per the requirement in terms of the South African Police Act.	10	5
5.2	Executive Committee Appeals	This Committee was established as per Section 51 of the Spatial Planning and Land Use Management Act. The Committee serves as an appeal authority where persons whose rights are affected by a decision taken by the Municipal Planning Tribunal may appeal against that decision.	2	6
5.3	Appeals Committee	The establishment of this Committee is a requirement in terms of Section 62(4) (c)(ii) of the Municipal Systems Act. The Committee is responsible to hear appeals against decision taken by a political structure or a political office bearer delegated authority over a particular matter.	2	0
5.4	Ethics Committee	The Committee was established by Council to ensure compliance with the Code of Conduct as set out in Schedule 1 of the Municipal Systems Act 32 of 2000.	9	9

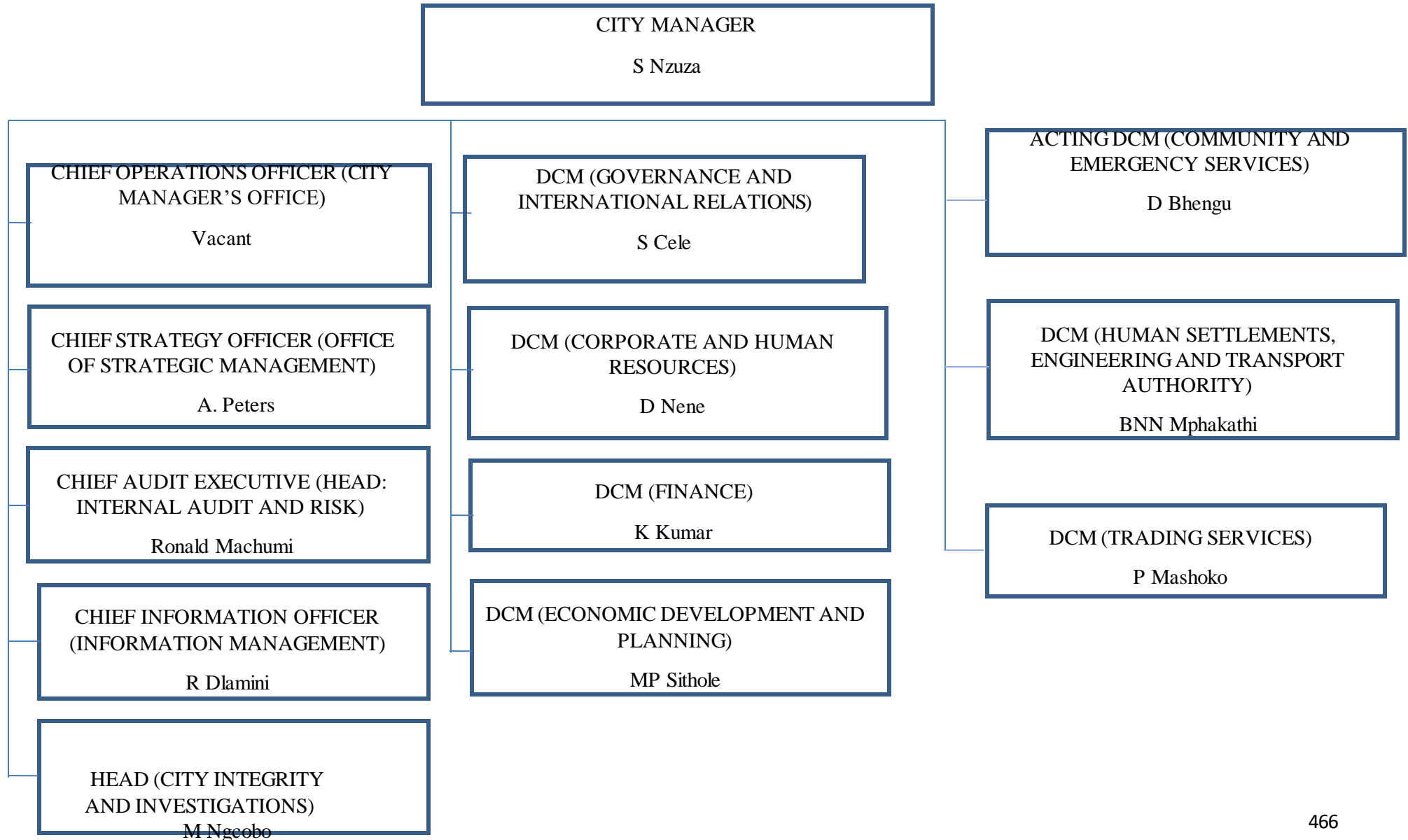
	Committee	Committee Purpose	No of Meetings Scheduled	No of Meetings held
5.5	Ward Committees	A legislated structure promoting participatory governance for the local community to be involved in the affairs of the Municipality by contributing input and comments on programmes; plans; budget; as well as the performance of the Municipality.	1 320	778
5.6	Local Labour Forums	<p>These committees are established as required by Section 11.8 the SALBGC Main Collective Agreement which guides their establishment and composition. The Local Labour Forums have the powers and functions to negotiate matters of mutual concern pertaining to the workplace.</p> <p>The SALBGC Main Collective Agreement sets out how LLFs are to function optimally. For this to be achieved, there must be co-operation between the employer and Labour. Councillors are members of the Employer delegation during negotiations with Union Representatives to ensure that Labour matters do not have an impact on Service Delivery</p>		
		Treasury and Office of the City Manager	10	10
		Economic Development and Planning	10	6
		Human Settlements and Infrastructure	10	10
		Community and Emergency Services	10	10
		Governance and Corporate HR	10	8
6.	Administrative Committees Committees established to ensure clean and accountable administration in the functioning of the Municipality and in terms of contract management.			

	Committee	Committee Purpose	No of Meetings Scheduled	No of Meetings held
6.1	Audit Committee	Advises Council, political office bearers, the City Manager and Management on matters relating to internal financial control and financial audits; accounting policies; the adequacy, reliability and accuracy of financial reporting and information; performance management; effective governance; enterprise risk management; compliance with the Municipal Finance Management Act, the Annual Division of Revenue Act and any other applicable legislation; and performance evaluation.	24	31
6.2	Bid Specification Committee	Compiles specifications for each public invitation for competitive bids, and where authority has been sought to invite bids, by the Municipality.	48	47
6.3	Bid Evaluation Committee	Evaluates bids in accordance with the specifications for a specific procurement; and the points system set out in terms of paragraph 27(2)(f) of the SCM Policy and as prescribed by the Preferential Procurement Policy Framework Act.	48	45
6.4	Bid Adjudication Committee	Considers reports and recommendations of the Bid Evaluation Committee; and either makes a final award or a recommendation to the Accounting Officer to make the final award; or makes another recommendation to the Accounting Officer on how to proceed with the relevant procurement.	48	56
6.5	Municipal Planning Tribunal	The Committee was established as per the requirements of Section 35 (1) of the Spatial Planning and Land Use Management Act. The Committee determines land use and development applications within the eThekweni Municipal area.	20	15

Appendix C: Third Tier Administrative Structure

APPROVED: EXCO- 18/03/2014

CITY OF ETHEKWINI APPROVED HIGH-LEVEL STRUCTURE



Appendix D: Functions of the Municipality

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Air pollution	Yes	No
Building regulations	Yes	No
Child care facilities	No	No
Electricity and gas reticulation	Yes	No
Firefighting services	Yes	No
Local tourism	Yes	Yes. Ushaka/ICC
Municipal airports	Yes	No
Municipal planning	Yes	No
Municipal health services	Yes	No
Municipal public transport	Yes	No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	No(Except Extended Public Works Programme)	No
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No(Except piers)	No
Stormwater management systems in built-up areas	Yes	No
Trading regulations	Yes	No
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes	No
Constitution Schedule 5, Part B functions		
Beaches and amusement facilities	Yes	Yes. Ushaka
Billboards and the display of advertisements in public places	Yes	No
Cemeteries, funeral parlours and crematoria	Yes	No
Cleansing	Yes	No
Control of public nuisances	Yes	No
Control of undertakings that sell liquor to the public	Yes	No
Facilities for the accommodation, care and burial of animals	No	No
Fencing and fences	Yes (Municipal)	No
Licensing of dogs	No	No
Licensing and control of undertakings that sell food to the public	Yes	No
Local amenities	Yes	No
Local sport facilities	Yes	No
Markets	Yes	No
Municipal abattoirs	No	No
Municipal parks and recreation	Yes	No
Municipal roads	Yes	No

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Noise pollution	Yes	No
Pounds	No	No
Public places	Yes	No
Refuse removal, refuse dumps and solid waste disposal	Yes	No
Street trading	Yes	No
Street lighting	Yes	No
Traffic and parking	Yes	No
* If municipality: indicate (yes or No); * If entity: Provide name of entity		<i>T D</i>

Appendix E: Ward Reporting

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
WARD 1	Cllr Mkhize Bongumusa Malaba Njabulo (Secretary) Blose-Nduli Lungisani Ngubane Victoria Gcinile Shange Zani Beauty Sibisi Raymond Mngadi Ignatia Miya Bongani Ernest Sibisi Thandi Cynthia Mkhize Bongubuhle Sibisi Thulani	Yes	5 meetings held	5	Q1- 0 Q2- 0 Q3- 2 Q4- 1
WARD 2	Cllr Mkhize Mvikelwa M Duma Phindile (Secretary) Gwala Siyabonga P Ngidi Skhumbuzo NdabaSamukelisiwe Dladla Mbongiseni V Nkosi Phendukani H Majozi Fakazile R Khoza Nosihle Nyaba Qhamkile B Ngcobo Sthembile H	Yes	9 meetings held	9	Q1- 1 Q2- 1 Q3- 1 Q4- 2

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 3	Cllr Chili Bonke Armstrong Majola Mthokozisi (Secretary) Mthembu Senzo Bright Nojiyeza Bongimpilo A. MsomiPhikhona Rose Miya Patrick Msawenkosi Goba Mondli Vicenus Dludla Khanyisile Nokukhanya G Nzama Sanele Peter Goba Priscilla Samkelisiwe Sithole Kadebona Julius	Yes	7 meetings held	7	Q1- 2 Q2- 3 Q3- 3 Q4- 3
Ward 4	Cllr Nxumalo Hlela Petros Mkhize Nkosinathi (Secretary) Njoko Sipho Ndlovu Sihle Bhengu Mdingiseni Mkhize Nkosingiphile Mdabe Eric Ndlovu Thembeka Ngwenya Mlondi Dlamini Nokulunga Dladla Precious	Yes	04 meetings held	4	Q1- 0 Q2- 0 Q3- 1 Q4- 1

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 5	Cllr Dlamini Sbusiso B Mkhize Sbongiseni P (Secretary) Dlamini Thamsanqa W Zulu Slondile Mkhize Nokuthokoza P Kweyama Phindile B Chisale Noel S Zuma Thabile M Sithole/ Duma Thelisile G	Yes	7 meetings held	7	Q1- 0 Q2- 0 Q3- 2 Q4- 2
Ward 6	Cllr Mngwengwe Lucky Nhlanhla Buthelezi Musawenkosi (Secretary) Ntuli Hawukile Majozi Hlengiwe P Mncwabe Sthembiso Ndlovu Nonhlanhla R Mkhize Thembinkosi P Hadebe Zifikele A Ngobese Thabile Dlamini Gabazile Mthethwa Sifiso M	Yes	11 meetings held	11	Q1- 1 Q2- 2 Q3- 2 Q4- 0

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 7	Cllr Phewa Jabulani Petros Jali Luthando (Secretary) Radebe Bhekinkosi Khumalo Senzo Mbongeni Hlongwane Innocentia T Ngcobo Asanda Mzulwini Balungile Ntanda Buyisiwe Ximba Monozi Maduna Thembinkosi Mbatha Ntombifuthi	Yes	6 meetings held	6	Q1- 0 Q2- 0 Q3- 1 Q4- 0
Ward 8	Cllr Shelembe Michael Themba Gcwensa Ncamsile (Secretary) Khwela Sibahle Dlamini Xolisile Bhengu Nosipho P Bhengu Sifiso A Zondi Vincent Z Xaba Nkanyiso B Dimba Ntombzonke R Zuma Thabani Duma Sibusiso M	Yes	7 meetings held	7	Q1- 3 Q2- 0 Q3- 1 Q4- 1

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 9	Cllr Mncube Patrick Simphiwe Khanyeza Bhekisisa (Secretary) Hlophe Sbusiso Ntuli Zama P MsomiMfanafuthi Bekwa Sozabile M Nkomo Ntombenhle P Ndlovu Nicholas M Mbanjwa Khethukthula Khumalo Elvis A Mkhize Antony	Yes	9 meetings held	9	Q1- 0 Q2- 0 Q3- 1 Q4- 0
Ward 10	Cllr Crouch Richard Tim Hilliary (Secretary) Moohlman Nicola Cluver Richard Alchary Vadiyal (Billie) Nkosi Ayanda Broodryk Corne' Mathonsi Jerome Hadebe Nomthandazo Hancox Richard Middlebrook Jeanne	Yes	3 meetings held	3	Q1- 0 Q2- 0 Q3- 0 Q4- 0

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 11	Cllr Johnson Joyce Agatha Shangase Sanele (Secretary) Dinga Velile Campbell Neville Dube Ziphozonke E Strydom Pamela Ngobese Station S Webster Linda J Biyela Sphephelo S Gumede Zandile P Madela Nompumelelo	Yes	7 meetings held	7	Q1- 0 Q2- 0 Q3- 1 Q4- 1
Ward 12	Cllr Vusumuzi Mbanjwa Msimang Bongiwe Morgan (Secretary) Shozi Protas Mlungisi Nene Thandekile Ngwenya Eric Mbongeni Mkhize Bonisiwe Ruth NgobeTobias Sibisi Thuthukani B Sibisi Lushozi Sthembiso	Yes	7 meetings held	7	Q1- 2 Q2- 1 Q3- 1 Q4- 1

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Ndlela Thabisile Ndlanzi Emmanuel Sanele				
Ward 13	Cllr Cloete Reginald Nene Phumzile (Secretary) Mhlongo Nana Bhengu Thamsanqa T Skeef Neville E Khumalo Zamokuhle Zulu Bhekabakubo M Khanyile Zamani Phiri Gabriel Ntinga Zama L	Yes	6 meetings held	6	Q1- 0 Q2- 0 Q3- 1 Q4- 0
Ward 14	Cllr Mfeka Patrick Francis Brenda (Secretary) Khumalo Nimrod Hadebe Derrick D Gasa Sandile J Teba Ntombikhona Francis Brenda Shozi Rose Khumalo Glays Mthembu Ntombencane		5 meetings held	5	Q1- 0 Q2- 1 Q3- 2 Q4- 3

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Mbonambi Duduzile				
Ward 15	Cllr Ngcobo Alfred Sifiso Shezi Thembelani (Secretary) MzacaLandile Gumede Buyisile Miya Bongiwe P Shozi Geve Dube Philemon B Mthembu Lindiwe F Zondi Beauty F Saragee Xolani Dlamini Busisiwe C	Yes	2 meetings held	2	Q1- 0 Q2- 0 Q3- 2 Q4- 0
Ward 16	Cllr Butelezi Stanley Sakhephi Chili Bheki (Secretary) Duma Wonder Ngubane Bongani Mkhize Jabulile Ntenza J Magcaba Mfanizo Vincent Dlamini Wonder Khumalo Nelly	Yes	9 meetings held	9	Q1- 3 Q2- 1 Q3- 3 Q4- 3

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Buthelezi Siphwe Magasela Phumzile				
Ward 17	Cllr Khwela Sibusiso Nonoza Cedrick Cele Nelisiwe (Secretary) Sibisi Dumisani Ngwane Thenjiwe Cele Nhlakanipho W Gumede Nonhlanhla Manyoni Sindi P Ndlovu Pinky S Mchunu Zibuyile Mkhize Petros Thembinkosi Mbili Khethokuhle E	Yes	3 meetings held	3	Q1- 2 Q2- 1 Q3- 3 Q4- 3
Ward 18	Cllr Brauteseth Melanie Fakude Siyabonga (Secretary) Gumede Bhokinkosi C Khoza Precious N Zamisa Zamokwakhe B Fakude Phumzile	Yes	3 meetings held	3	Q1- 0 Q2- 0 Q3- 0 Q4- 0

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Mkhumla Roy Mannya Jane Malibisi Thompson Chris A Mngadi Dumisani G Mkhwanazi Busisiswe L				
Ward 19	Cllr Mvubu Andreas Bhekumuzi Malunga Isaac Sabata (Secretary) Ngcongo Lungisani A Zungu Ntombfikile A Madikizela Ntombfuthi Shange Dumephi M Khoza Thembani G Mbambo Bongane A Pillay Morgan R Ngcobo Simanga S Hlongwane Zakhele J	Yes	6 meetings held	6	Q1- 0 Q2- 0 Q3- 0 Q4- 0
Ward 20	Cllr Mbambo Patrick Mandla Shangase Collen H (Secretary) Ngcobo Mfaniseni M Shonga Msawakhe Zuma Sandiswa Ngcobo Thandazile E Duma Thobisile Msongelwa Nthabiseng	Yes	9 meetings held	9	Q1- 3 Q2- 1 Q3- 0 Q4- 3

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Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Molefe Bongmusa A Dlamini Osborn M Mkhize Ntombifuthi				
Ward 21	Cllr Qwabe Mfanufikile Derrick Ndlela Ndumiso B (Secretary) Ngubane Thandi E Mbhele Helliadora B Gumede Winnie S Gcaleka Pandapatsi Mdletshe Nomcebo C Ngubane Veronica D Ndlovu Lucky N Vidima Ncamisile Gumede Sindisiwe	Yes	2 meetings held	2	Q1- 0 Q2- 0 Q3- 1 Q4- 0
Ward 22	Cllr Mkhize Sibongiseni Phiwayo Mthethweni (Secretary) Ndlovu Israel Ngcobo Mlungisi Nzama Bongani Dingi Babongile S Makhonye Sibongile R Jonase Nontobeko	Yes	8 meetings held	8	Q1- 1 Q2- 0 Q3- 2 Q4-

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Khumalo Nelly N Ndlovu Thandazile I Dlamini Thandekile				
Ward 23	Cllr Nala Xolani Mtshali Khumbuzile (Secretary) Mchunu Mandla Xaba Phindile Mkhabela Jabulani Dlamini Nkanyiso Ndzimande Nonelisa Ngozi Freedom Ndlovu Thabiso Gwayi Lungisa Livingstone Lembede Themba Nokheshe	Yes	2 meetings held	2	Q1- 2 Q2- 1 Q3- 1 Q4- 0
Ward 24	Cllr Mngadi Sifiso Braveman Ngcobo Nomusa Olivian (Secretary) Khathi Ntuthuko Hlengwa Siyanda Mthembu Sakhile Mthethwa Thembi	Yes	9 meetings held	9	Q1- 0 Q2- 0 Q3- 2 Q4- 0

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Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Mzobe Sthembiso Nkwanyana Sphamandla Sibiya Bandile Thipe Anna Moarakane Prince Ziqubu				
Ward 25	Cllr Haniff Mahommed Hassan Dutywa Fanile (Secretary) Gcabashe Senzo Goba Sehluko Micheal Khanyile Sipho Mbanjwa Ntombeziningi Mkhize Themba Musa Nomagugu Ndlovu Benedict Ngcobo Jabu Ntombifuthi Nomvete Simlindile	Yes	8 meetings held	8	Q1- 0 Q2- 0 Q3- 0 Q4- 0
Ward 26	Cllr Dlamini Conrad Bongimusa Lindokuhle Masondo (Secretary) Biyela Lungelo Gumbi Samson Mangenni Khulekani Sdudla Mhlongo	Yes	4 meetings held	4	Q1- 0 Q2- 0 Q3- 1 Q4- 0

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Mtetwa Nomusa Nolusizo Cynthia Ndlovu Samukelisiwe Ndlovu Ruzanna Rwaida Ndlovu Potwana Zimisele				
Ward 27	Cllr Meyer Lukas Marthinus Ntsele Yvonne Sbusisiwe (Secretary) Ndumo Nombuso Cynthia Qegu Lulama Charmaine Ntshembeni Sibongile Dassie Sinah Myaka Fisani Mncwango Sipiwe Tembe Lindokuhle	Yes	11 meetings held	11	Q1- 0 Q2- 0 Q3- 0 Q4- 0
Ward 28	Cllr Khuzwayo Ntandoyenkosi Lucky Sheshani Sibusiso (Secretary) Dlomo Hlanganani Fundisiwe Dlamuka Hadebe Zakhona Hlongwa Somandla	Yes	5 meetings held	5	Q1- 2 Q2- 2 Q3- 2 Q4- 2

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Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Khomo Siboniso Ntlangani Bantubathi Nzimande Thembisa Ramoipone Nthabeleng Zuma Sabelo				
Ward 29	Cllr Mthembu Mveli Thusi Dumisani Anton (Secretary) George Coreen Linda Nkosinathi Makhathini Lungelo Mdadane Kwenza Innocent Mkhize Phumlani Nene Lindokuhle Nkomo Witness Nkabinde Khumbulani Ngcobo Cornelius Jabulani	Yes	8 meetings held	8	Q1- 3 Q2- 0 Q3- 2 Q4- 1
Ward 30	Cllr Burne Warren Jerome DeMarigny Mhlongo Thokozani (Secretary) Cele Skhosiphi Lucas	Yes	10 meetings held	10	Q1- 0 Q2- 0

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Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Didi Lungiswa Rejoice Daniso Boniwe Jali Sanele Sthembiso Mngonyama Ngubane Sindiso Christian Nyanga Mzikisi Zondi Skhumbuzo Zulu Simon				Q3- 0 Q4- 0
Ward 31	Cllr Pappas Christopher John Ayoob Ashraf (Secretary) Boucher Ken Clayton Charmaine Goss Nicolette Mchunu Zamokwakhe Moodley Des Mseswa Anele Ngcamu Sphiwe Sitwell Nzimande Nonhlanhla Young Easlyn	Yes	7 meetings held	7	Q1- 0 Q2- 0 Q3- 0 Q4- 0
Ward 32	Cllr Zuma Mpumelelo Bukhosibezwe R Ntusana Siyabulela (Secretary) Attwell Florence	Yes	9 meetings held	9	Q1- 1 Q2- 2

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Maqamela Nontuthuzelo Mbebe Nontsikelelo Muremeri Charles Ndlovu Fikile Cynthia Shezi Bongiwe Mariam Sosibo Nokululeko Victoria Thusi Mthembiseni Zaca Thulisile				Q3- 2 Q4- 0
Ward 33	Cllr Tembe Mmabatho Masiase Patricia (Secretary) Diaho Eketsang Gumede Mandla Richard Khoza Thami Mercy Maharaj Jean Nkosi Thuthukani Sibiya Khanyisiwe Shozi Hloniphile SzoBassy Anne Johanna Masiase Patricia	Yes	3 meetings held	3	Q1- 1 Q2- 1 Q3- 0 Q4- 0
Ward 34	Cllr Maharaj Ashok Mwelase Prudence (Secretary) Duma Rodgers Bonginkosi	Yes	7 meetings held	7	Q1- 0 Q2- 0

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	Gcwensa Sdongiseni Khumalo Scelo Busisiwe Kweyama Steven Mahleba Thozama Macy Mpanza Vincent Sakhile Ngema Zamo Sthembiso Nogada Mncedi Tom Zungu Simphiwe Mark				Q3- 0 Q4- 0
Ward 35	Cllr De Boer Heinz Ulrik Du Preez Wayne (Secretary) Govender Allison Hlophe Ndumiso Mhlambi Ntsizwazonke Bongekile Masuku Mphili Siyabonga Ntshangase Sibulele Nayerger Berlin Viki Nofika Zulu Senzo –Esihle Simon	Yes	4 meetings held	4	Q1- 0 Q2- 0 Q3- 0 Q4- 0
Ward 36	Cllr Ryley Shaun Dr Courts Alex (Secretary)	Yes	8 meetings held	8	Q1- 0 Q2- 0

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Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Bollman Nicole Coka Grant Msani Lungisani Maieane Lebohang Mkhwanazi Innocentia Zama Sibusiso Belinda Bronkhorst Mark Ducasse Johan Van Der Burg				Q3- 1 Q4- 0
Ward 37	Cllr Zulu Gugu Barbara Malloy Zandile Y (Secretary) Mthembu Muziwandile S Shezi Nokuthulani M Nair Chantal Dludla Sakhile Khuzwayo Fikani Nyawo Vusumuzi Mthethwa Zanele J Khuzwayo Siyabonga Mthiyane Thabile M	Yes	6 meetings held	6	Q1- 1 Q2- 1 Q3- 2 Q4- 2
Ward 38	Cllr Biyela Nokufika Cynthia Mkhize Zakhele (Secretary)	Yes	7 meetings held	7	Q1- 2 Q2- 0

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Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Bhengu Doctor Bloose Lungile Cele Zithulele B Makhanya Thembaletu Mweli Vusumuzi Ndadane Sfiso M Sangweni Zandile Sishi Bongumenzi Thusi Muzikayise				Q3- 3 Q4- 1
Ward 39	Cllr Gwala Mzwethu Sandile Biyela Mbuzeni (Secretary) Magagula Wonder-boy J Ngidi Khayelihle Mhlongo Summergirl Ngidi Muziwukuthula Maphumulo Nontobeko Xulu Phumelele Chili Nozipho Maphumulo Simo Ngidi Babhekile	Yes	8 meetings held	8	Q1- 0 Q2- 0 Q3- 1 Q4- 0

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Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 40	Cllr Xulu Mamane Constance Ngobese Hlengiwe (Secretary) Manzi Thabisile Eunice Maphumulo Sindiswa Delighty Mngomzulu Nhlanhla Maphanga Nonkonzo Charity Khumalo Nkosinathi Emmanuel Dladla Nkululeko Kenneth Mkhize Gcinani Enos	Yes	8 meetings held	8	Q1- 1 Q2- 2 Q3- 2 Q4- 2
Ward 41	Cllr Zwane Mondli Humphrey Xulu Nokulunga Agnes (Secretary) Ngongoma Thembani Jerome Nzama Ntombikayise Euphimia Nkosi Goodness Siphiwe Langa Themba Albert Ngcobo Sikhumbuzo Remember Mayeza Vusumuzi Patrick Shangase Felicia Mtakati Sibusiso Dlamini Nomkhosi Precious	Yes	10 meetings held	10	Q1- 1 Q2- 3 Q3- 3 Q4- 2

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 42	Cllr Mkhize Happy Girl Bathobile Zulu Hlengiwe Deboratt (Secretary) Ndovela Sandiso Eugene Mthembu Clementine Nobuhle Mbatha Joyce S. Dlamini Bongumusa Mhlongo Samson Zwelonke Ngcobo Thandanani Robert Skhakhane Jabulani Patrick Ndawo Sthembiso Charles Njapha Mandla	Yes	09 meetings held	9	Q1- 1 Q2- 1 Q3- 2 Q4- 1
Ward 43	Cllr Mhlongo Gloria Nelisiwe Mdlozini Phindile (Secretary) Cele Nompumelelo Mosery Thabang Malinga Lizzie Gantsa Makhosazane Christobel Mdunge Henry Sabela Sbusiso Khuzwayo Bonokwakhe Mchunu Mandlenkosi Mngadi Ntombizonke	Yes	09 meetings held	9	Q1- 1 Q2- 1 Q3- 1 Q4- 1

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 44	Cllr Phewa Bhekokwakhe Welcome Malevu Zanele Annatoria (Secretary) Mngwengwe Khayelihle Shabane Ziphathe Jackson Mzobe Jeffrey Ndlovu Isaac Sandile Phewa Phindile Portia Khumalo Mhlengi Zubane Zwelithini Armstrong Mlondo Mduduzi Welcome Zondi Noma-India	Yes	09 meetings held	9	Q1- 1 Q2- 1 Q3- 2 Q4- 0
Ward 45	Cllr Khuboni Joseph Simon Nsele Sthembiso (Secretary) MajolaSiboniso Sihlesakhe Mlaba Nomusa Simangele Dlamini Thulani Prince Mhlongo Foh Christian Maako Pretty Christina Jali Sbisiso Michael Mjwara Innocent Siboniseni Mdabe Khulekile Goodness Msomi Emmerencia Zithobile	Yes	8 meetings held	8	Q1- 3 Q2- 3 Q3- 3 Q4- 3

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 46	Cllr Ncayiyana Prudence Lindiwe Nkibane Sindisiwe (Secretary) Mhlongo Zwelakhe Khumalo Ntombifikile Jali Delani Wiseman Thusi Khulekani Hendrick Khumalo Bhokamantungwa L. Nzuza Sthembiso Xulu Meshack Mkhwanazi Eunias G. Nkata Bhokinkosi	Yes	9 meetings held	9	Q1- 1 Q2- 0 Q3- 2 Q4- 3
Ward 47	Cllr Ntshangase Phiwayinkosi Cedric Zulu Zama (Secretary) Ntshangase Phiwayinkosi C Simelan Nomhle Mamsy Zuke Mxolisi Mboneni Gumede Muzikayise Israel Gumede I Raymond K Vezi Delisiwe Daisy Zama Bongwe Mtshali Thabiso Mzinyathi Nomvuzo Portia MdingiVictor	Yes	9 meetings held	9	Q1- 2 Q2- 3 Q3- 2 Q4- 3

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 48	Cllr Singh Bradley Nala Ntuthuzelo (Secretary) Lazarus Joyce Visagie Judy Jean Mbambo Bonginkosi Simon Gcabashe Smiso Tibello Ganesani Ronelle Chinasamy Sukan Mkhize Philani Ramnarain Katherin Sibiya Nompumelelo	Yes	6 meetings held	6	Q1- 0 Q2- 2 Q3- 0 Q4- 0
Ward 49	Cllr Pillay Donovan Tino Manipershad Larry (Secretary) Pillay Saras Matebe Prudence Reddy Devi Ramchander Jennifer Chetty LeonDavid Nair Morgan Irusan Dhanum Perumal M. Gumede Benadict Ntokozo	Yes	10 meetings held	10	Q1- 1 Q2- 0 Q3- 0 Q4- 0

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 50	Cllr Singh Eurika Lyndal Padayachee Amitha (Secretary) Sookoo Bhimawathee Naidoo Savithree Gopalsamy Puvatharan Gopalsamy Kasugie Singh Anil Jugwanth Raksha Naidoo Kowlasar Kubashni Singh Davanand Moodley Thavakeethaynee	Yes	3 meetings held	3	Q1- 0 Q2- 0 Q3- 0 Q4- 0
Ward 51	Cllr Johnson Managi Ndlovu Dumisani Muziwokukhuluma (Secretary) Myeni Mxolisi Justice Cele Lindiwe Hansraj Shane Mwale Thami Revival Reddy Thamodaran Merxin Moodley Kistapha Muruvan Hamraj Melanie Roshani Sikdeo	Yes	09 meetings held	9	Q1- 0 Q2- 1 Q3- 0 Q4- 0

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Jacob Jayson				
Ward 52	Cllr Zulu Boxer Moses Amas Cliff (Secretary) Chamane Lucky Bongani Dindi Lindani Perfect Kotelo Basil Tsepo Delani Mabaso Sakhiseni Maxwell Malambule Bajabulile Emmerencia Mdibi Babu Ndlovu Ayanda Prince Ngema Sizakele Sithole Jabu Purity	Yes	4 meetings held	4	Q1- 1 Q2- 0 Q3- 2 Q4- 3
Ward 53	Cllr QhantsiBongani Richard Sishi Lindiwe Hloniphile (Secretary) Mtshali Cynthia Mavuso Hezekia M Matyhobo Zithobile F. Ncenjani Sibusiso Sikithi Zweli Mfeka Ronald Sabelo Zuma Sipho C. Hadebe Sinenhlanhla P.	Yes	9 meetings held	9	Q1- 1 Q2- 0 Q3- 1 Q4- 0

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Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Madikizela Siyabulela				
Ward 54	Cllr Mkhwanazi Sicebi Mandlakayise Shange Thobani Isaac (Secretary) Khumalo Babongile Ngwane Bonga J. Mdletshe Andile Khoza Nkanyiso N. Gumede Beki Nicholas Nkosi Simphiwe Dube Goodman Jali Velisiwe MsomiMaxwell Ronald	Yes	11 meetings held	11	Q1- 3 Q2- 2 Q3- 2 Q4- 3
Ward 55	Cllr Gebashe Vuzi Emmanuel Shangase Nomsa (Secretary) Ngcobo Siyanda Jabulani Mwandla Thulile Mhlongo Lwazi Shelembe Simangele Penyane Makhosi Macushe Leon Madlala Sihle Mthethwa Mthokozisi	Yes	11 meetings held	11	Q1- 1 Q2- 0 Q3- 2 Q4- 1

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Mnqayi Mbuyiseni				
Ward 56	Cllr Nyaba Wiseman Khuboni Lungani (Secretary) Mpanya Shadrack Memela Nonhlanhla Sibisi Phumelela Hlabisa Nosihe LuthuliEnock Zakhe Gumede Mduduzi Hlongwane Vusumuzi C. Ngcobo Happy –Girl	Yes	7 meetings held	7	Q1- 0 Q2- 0 Q3- 1 Q4- 0
Ward 57	Cllr Phohlo Tsigbo Knowledge Mfeka Thembinkosi (Secretary) Sotiya Simphiwe Godfrey Magwaza Nolundi Teressa Nxasana Ntombi Beauty Kaunda Samson Khumalo Njabulo Mtungwa Nzama Mtsheneni Mhlongo Nqobile Zwane Constance Nonsikelelo	Yes	11 meetings held	11	Q1- 1 Q2- 1 Q3- 1 Q4- 1

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Mnqayi Mthandeni Collen				
Ward 58	Cllr Pullan Geoffrey Douglas Ayrton Mpungose Zophozonke Seun (Secretary) Biyela Philani Simosakhe Nzama Emmanuel Mbhekiseni Jali Busiswa Sweetness Gcaba Banethile Nelisiwe Simanse Wellington Thena Phumzile Xulu Zinhle	Yes	10 meetings held	10	Q1- 0 Q2- 0 Q3- 0 Q4- 0
Ward 59	Cllr Majola Bongani Ngema Khaya Jerome (Secretary) Mdladla Bekithemba Maluque Moses Zamokwakhe Ngcobo Jennifer Sontsele Nloyiso Mzamo Yolisa M. Mhlongo Sbusiso Sikhosiphi Chonco Zinhle Nxumalo Phakamile Mariet	Yes	8 meetings held	8	Q1- 3 Q2- 3 Q3- 3 Q4- 3

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Mhlongo Brian Sthembiso				
Ward 60	Cllr Mdletshe Fakazi Witness Buthelezi Mandla J. (Secretary) Mthimkhulu Catherine Z. Phewa Sizunai Tsamba Themba Victor Mdlada Muzikayise Bhokinkosi Gumede Sphamandla Bhengu Zanele Khonjwayo Thembeka Batshumane Thembinkosi Mthembu Xolani	Yes	6 meetings held	6	Q1- 0 Q2- 0 Q3- 0 Q4- 1
Ward 61	Cllr Munien Nagammah Vilakazi Qaphelani (Secretary) Nzama Sandile Sibiya Hlengiwe Nokuthula Phiri Mthandeni Samuel Nyembezi Lwazi Richard Mnguni Nqobile Happiness Cele Anna- Maria Khethiwe Gumede Sthembiso James Dumisa Caroline Nonhlanhla	Yes	8 meetings held	8	Q1- 0 Q2- 0 Q3- 0 Q4- 0

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 62	Cllr Khumalo Princess Zanele Radebe Gloria Babongile (Secretary) Zangwa Gugu Rosemond Dwayisa Xolani Khumalo Vivienne Vuyelwa Mbodlela Bongani Mabaso Mfanendoda Moses Cele Ntombifuthi Gladys Khwaza Theziwe Monde Lungisile LuthuliBheki Aubrey	Yes	7 meetings held	7	Q1- 0 Q2- 0 Q3- 2 Q4- 2
Ward 63	Cllr Van den BergJ an Christoffel Lesoli Masebotsa (Secretary) Bulose Bhekani Lukhozi Sphamandla Memela Sandile Mekhoe Dimakatso Ngidi Ntombikayise Nyamela Florence Nzimande June	Yes	5 meetings held	5	Q1- 2 Q2- 2 Q3- 1 Q4- 3

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Shabane Phindile Pillay Strinivasan				
Ward 64	Cllr Hegter Gavin James Mngadi Mlando (Secretary) Bulose Prudence Madlala Thobani Mngadi Sibongile Mthembu Xolani Sylvia Thandeka Xaki Nokhwezi Sibiya Nokuthula Thembisile Sibiya Zanele Mariya Thuso Maboe Zondi Thandolwethu	Yes	8 meetings held	8	Q1- 0 Q2- 0 Q3- 0 Q4- 0
Ward 65	Cllr Windvogel Samantha Magdalene Cele Sizwe Vincent (Secretary) Dlamini Dudu Juggernath Munmohan Makubalo Nonkanyiso Mpambane Madeni Mnguni Nkanyiso Ntuli Wiseman	Yes	9 meetings held	9	Q1- 2 Q2- 0 Q3- 0 Q4- 1

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Sosiba Mlindeli Ndawonde Ritta Cele Sthembiso				
Ward 66	Cllr Prinsloo Jean-Pierre Platt Casey (Secretary) Avenant Donovan Elamarie Bowden Colvin Louise Davos Mellissa Ivan Horner Moore Zoe Pratt Duncan Kim Rikken	Yes	8 meetings held	8	Q1- 0 Q2- 0 Q3- 0 Q4- 0
Ward 67	Cllr Mbele Abegail Makhosi Mthembu Patrick Gcinezile (Secretary) Ngcongo Thulisile Cele Muzikayise Bernard Mkhize Bapheni Happiness Nene Deon Siyabonga Zimele Doncabe Zanele Metrol MsomiWiseman Musawenkosi	Yes	10 meetings held	10	Q1- 2 Q2- 0 Q3- 3 Q4- 2

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Ntuli Siyanda Wiseman MsomiSihle Knowledge Mathenjwa Zandile Donnah				
Ward 68	Cllr Snyman Aubrey Desmond Louis Enoch (Secretary) Jean Choudree Clint Leverton Neil Pather Deborah Peters De Bruin Zakhira Shaik Patricia Agnes Dove Ryanal Rami Earl Wilkinson	Yes	8 meetings held	8	Q1- 0 Q2- 0 Q3- 1 Q4- 0
Ward 69	Cllr Govender Ganas Reddy Dino (Secretary) Mdolo Nokujabula Mahomed Sophie Mofisto Mmveli Mbanjwa Phildah Mbanjwa Bongeka Shandu Theodora Philisiwe	Yes	1 meeting held	1	Q1- 0 Q2- 0 Q3- 0 Q4- 0

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Mtshali Khayelihle Xaba Sidumo Dube Nosipho				
Ward 70	Cllr Govender Sathasivan Naidoo Somaqanthie (Secretary) Pillay Denver Tattoo Yashwanthi Sarasathie Harriparsadh Govender Femida Moodley Petrena Stanley Rahim Zainab Cele Dumisani Christian Sushila Rooplal Sarah Iyooop	Yes	10 meetings held	10	Q1- 0 Q2- 0 Q3- 0 Q4- 0
Ward 71	Cllr Hoosen Sharon Nkosinathi Kabelo (Secretary) Vethe Yolanda Nofika Kutta Nondumiso Ntambo Promise Khumalo Bongani Peter Khoza Million Shaka Malimela Nonhlanhla	Yes	5 meetings held	5	Q1- 0 Q2- 0 Q3- 0 Q4- 0

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Zulu Lucky Nhlanhla Ismail Amina Bonginkosi Victor Mtambo				
Ward 72	Cllr Mpanza Sibusiso Cele Phumlani Simo (Secretary) Nzuza Thokozani Goodluck Mpikiseni Tititi Felix Siphwe Mncwanga Makhanya Zanele Ngcobo Neli Shazi Thobile Mbumba Nontobeko Mbatha Sanele Emmanuel	Yes	6 meetings held	6	Q1- 0 Q2- 0 Q3- 0 Q4- 0
Ward 73	Cllr Pillay Devaraj Rama Naidoo Sagren Ganesan (Secretary) Sarojeni Naicker Afzal Abdulla Nancy Soobramoney Parvathy Royan Govindamal Baptist Hazel Ganasen	Yes	8 meetings held	8	Q1- 0 Q2- 0 Q3- 0 Q4- 0

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Ramona Naidu Sharon Perumal Poobalan Chinsamy				
Ward 74	Cllr Mthembu Octavia Nolubabalo Emily Hector (Secretary) Phungula Thabisile Gumede Sakhile Shozi Bulelwa Guma Vusumuzi Sosibo Derrick Sihle Msomi Philani Bhengu Nomvuyo Mdletshe Cyprian Sipho Dlomo Noxolo Agnes	Yes	09 meetings held	9	Q1- 1 Q2- 0 Q3- 3 Q4- 2
Ward 75	Cllr Khanyile Eunice Sibongile Sibiya Simphiwe (Secretary) Zulu Sanele Bongani Ndlovu Sandile Nkwanyana Lucky Sivetye Sibusiso Manyoni Ntokozo Portia	Yes	11 meetings held	11	Q1- 0 Q2- 0 Q3- 2 Q4- 1

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Mthembu Xolani Xaba Zamokwakhe Zondi Bhekani Sikatele Zakhele				
Ward 76	Cllr Mzobe Robert Mshiyeni Nkungu Vuyelwa (Secretary) Khumalo Happyness Nomusa Ncayiyana Mfanuzile Simon Mdlazi Sfiso Mkhungo Bazamile Witness Mbatha Khanyisile Prexedis Fosi Zanodumo Lematla Lesia Bew Dlamini Kholisile	Yes	11 meetings held	11	Q1- 1 Q2- 2 Q3- 0 Q4- 1
Ward 77	Cllr Rampersad Anoop Faku Busisiwe (Secretary) LuthuliSicelo Tembe Muzi Hendrick Majozi Vukani Mgijima Mxolisi Haripersad Vees	Yes	04 meetings held	04	Q1- 0 Q2- 0 Q3- 1 Q4- 1

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Sani Sithembiso Khalakahle Lizo Magqabi Duduzile Chetty Ricky				
Ward 78	Cllr Zuma Thandiwe Meltah Khathi Mbongeni (Secretary) Mbatha Triza Thori Mfuphi Brenda Mpofana Sthembele Shimaliya Dumazile Ndwandwe Nandi Madlala Thembelani Ndlovu Thuleleni Zuma Jabulani Khawula Thobile	Yes	12 meetings held	12	Q1- 1 Q2- 0 Q3- 3 Q4- 3
Ward 79	Cllr Nyawose Mishack Sithenjwa Sokhela Zibonele (Secretary) Masuku Hlengiwe Mkhize Princess Zwane Reginald Fana Thinzi Phindile	Yes	08 meetings held	08	Q1- 1 Q2- 0 Q3- 2 Q4- 3

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Ngwazi Mzamo Lucas Mkhize Nkululeko Phoswa Ayanda Mkhize Bheka Mngadi Daizy Gladys				
Ward 80	Cllr Nojiyeza Mthokozisi Masinga Khosi Florence (Secretary) Dube Selbourne Nzwakele MsomiLindiwe Khwela Bhekuyise Hlongwane Thabani Khumalo Sebenzile Langa Maureen Mamsie Sobazane Sindisiwe LuthuliMakhulu Phyllis Mkhize Lindiwe Prudence	Yes	07 meetings held	07	Q1- 0 Q2- 0 Q3- 0 Q4- 0
Ward 81	Cllr Mthembu Nomusa Euna Ngcobo Bonginkosi Simon (Secretary) Mtshali Buyile Silindana Thamsanqa Ncwane Mzweleni Majiya Linda	Yes	11 meetings held	11	Q1- 0 Q2- 0 Q3- 0 Q4- 0

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Shabalala Silindele Mncube Sindisiwe Hleza Celiwe Constance Mdletshe Hazel Mnyadi Jabu				
Ward 82	Cllr Dladla Muziwenyanga Amon Dube Sobongiseni Proffessor (Secretary) Kawe Zandile Gloria Mbhele Zibuyile Monica Mbatha Thamsanqa Brian Ndimande Lindiwe Khoza Frans Sipho Dladla Noxolo Faith Shabalala Makhosazana Maureen Sokhela Zimisele Zulu Dineo	Yes	10 meetings held	10	Q1- 2 Q2- 0 Q3- 2 Q4- 1
Ward 83	Cllr Mngwengwe Bhekizazi Vincent Cele Phindile Veronica (Secretary) Doncabe Mzwakhe Pius Thusi Jabulile Yvonne Ngubo Nhlanhla	Yes	09 meetings held	9	Q1- 2 Q2- 0 Q3- 3 Q4- 2

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Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Mpisana Khombisile Precious Shandu Nondumiso JaliSizwe Felix Mtshali Sthembiso Maphasa Nondumiso Yvonne Ntini Mbuyiswa Michael				
Ward 84	Cllr Phungula Bhekithemba Sishi Siyanda Gladman (Secretary) Mabaso Nikiwe Nancy Gumede Jabulani David Ndlovu Dolly Zakwe Ntombifuthi Bulose Monica Fundile Gumede Mlungisi Leornard Mbambo Phumelela Charlotte Didi Zamazulu Promise Chiliza Delani Jeffrey	Yes	11 meetings held	11	Q1- 2 Q2- 1 Q3- 2 Q4- 3
Ward 85	Cllr De Lange Grace Thembelihle Madlala Wiseman Dumisani (Secretary) Cele Thembisile Shabangu Vusumuzi	Yes	12 meetings held	12	Q1- 2 Q2- 1 Q3- 2

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Cwaka Musawenkosi Siyabonga Moloi Thandi Goodness Albertina Mkhize Thandi Shabane Mduduzi Mzimela Florence Nonhlanhla Ndlovu Bongani Rosewell				Q4- 1
Ward 86	Cllr Dlamini Sindisiwe Rosemary Majola Nonkululeko (Secretary) Luthuli Duduzile Mayvis Mthembu Margret Ntuli Msizi Brian Shange Jabulani John Brian Mkhize Sylvia Nelisiwe Tembe Mduduzi Ngiba Bongani Memela Thandeka Juin Mtuzela	Yes	11 meetings held	11	Q1- 0 Q2- 1 Q3- 2 Q4- 1

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 87	Cllr Shabalala Abegail Nomthandazo Mkhize Sindi (Secretary) Shange Mfanafuthi Biyase Muzi Dladla Thobile Mdunyelwa Deliwe Makhathini Mkhonzi Nsindane Brian Gumbi Siyabonga Greatman Nala Bongani Mkhize Vukani	Yes	12 meetings held	12	Q1- 0 Q2- 0 Q3- 1 Q4- 0
Ward 88	Cllr Maphumulo Sibusiso David Dlamini Nosipho Nomvula (Secretary) Nyawose Ntombikhona Favourite Ndlovu Duduzile Virginia Majozi Makhosazane Njilo Nonhlanhla Ncayiyana Handsome Thulasande Young Fikile Patience Tembe Boyi Emmanuel Gama Edward	Yes	09 meetings held	9	Q1- 0 Q2- 0 Q3- 2 Q4- 1

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 89	Cllr Mjadu Mbangeni Bhekisisa Ndlovu Mzwendoda Innocent (Secretary) Khanyile Musawenkosi Chonco Siphesihle Joseph Chala Zifune Welcome Hlongwane Philangenkosi Welcome Shange Ngakhohlwa Ntombile Nzuza Sithokozisile Nikwe Jabu Brightness Majola Zakhele Mthethwa Sindisiwe Happiness	Yes	10 meetings held	10	Q1- 0 Q2- 0 Q3- 0 Q4- 0
Ward 90	Cllr Brijmohan Sunil Cele Siphelele (Secretary) Kisten Andriaan Buthelezi Sifiso Hlengwa Francis Gopee Jashika Nxumalo Babongile Bhala Sbusiso Moonsamy Selvie Harriesunker Molly Ndlovu Lungisani	Yes	07 meetings held	7	Q1- 1 Q2- 0 Q3- 0 Q4- 0

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 91	Cllr Dlamini Alliam Nkosiphendule Dube Bafana C (Secretary) Ziqubu Thoko M Maduna Thokozile E Hlengwa Mandla Chamane Buhle M Magubane Sibusiso Ntshangase Makhosathini V Sokhela Nqola A Mabaso Zodwa II	Yes	09 meetings held	9	Q1- 0 Q2- 0 Q3- 0 Q4- 0
Ward 92	Cllr Dlamini Jabu Alice Mpungose Bongani (Secretary) Cele Dumisani Sibisi Eric Magwaza Joyce MajolaThabisile Mthembu Jabulile Happiness Mazibuko Wonderboy M Nzama Sabelo Ramokoena Robert Ziqubu Njabulo	Yes	06 meetings held	6	Q1- 0 Q2- 0 Q3- 0 Q4- 1

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 93	Cllr Zungu Thabisile Gloria Msimang Patricia Nonhle (Secretary) Gcabashe Nomndeni Hayethah MsomiGqoka LuthuliNjabulo Mvuyane Bethuel Gumbi Sboniso Bhengu Nomusa Hlatshwayo Lungelo Mkhize Thobile Bele Khanyile Jane	Yes	09 meetings held	9	Q1- 0 Q2- 0 Q3- 2 Q4- 2
Ward 94	Cllr Hlomuka Nomvula Prudence Zulu Simanga (Secretary) Dlamini Sandile Harries Mkhize Sipho Samuel Bhaqwa Busisiwe Norah Mthethwa Patricia Nombuso Khawula Kholeka Cele Patricia Nompumelelo Sibiya Zamani Sithembiso Buthelezi Bhekisisa Ngcobo Nokuthula	Yes	04 meetings held	4	Q1- 2 Q2- 0 Q3- 1 Q4- 0

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 95	Cllr XuluThokozani Vivian Msomi Nombulelo Pretty (Secretary) Nzaca Sgcino Sanele Khwela Buyisile Qwathekazi Zama Debby Kweyama Bhakisigcino Mkhungo Mthobisi Prince Mthethwa Simukeliso Gift Zulu Zubuyile Giona Makhanya Bathobile Mbeje Thomas	Yes	09 meetings held	9	Q1- 0 Q2- 0 Q3- 1 Q4- 3
Ward 96	Cllr Makhanya Thembelihle Goodhope Ngcobo Basil Njabulo (Secretary) Mbeje Cynthia Bathokozile Hlengwa Nomvula Gcabashe Nokulunga Luthuli Thulasizwe Wanda Xolisile Promise Sabelo Nqabayemfundo Njapha Lizwi Silvester Ndimande Busani Ngcongo Benzi Happiness	Yes	09 meetings held	9	Q1- 2 Q2- 0 Q3- 1 Q4- 2

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 97	Cllr Beetge Andre Shange Mydoo Ntombikayise (Secretary) Msweli Lionel Nkosinathi Samukele Shange Sikhumbuzo Marvin Ntuli Michael Qutha Nonceba Mbatha Bongani Meshack Ackerman Tommy Neto Carol	Yes	07 meetings held	7	Q1- 0 Q2- 0 Q3- 0 Q4- 0
Ward 98	Cllr Thabethe Justice Bhekumuze Khomo Eric Mbhekeni (Secretary) Chiliza Nomzamo Mhlangu Michael MsomiNhlanhla Sibongiseni Mkhize Joshua Maphumulo Sithembile LuthuliZibusele Linous Nzuza Sandile Hlongwa Mthokozisi Patrick Shange Bhekizitha Patrick	Yes	11 meetings held	11	Q1- 2 Q2- 1 Q3- 3 Q4- 3

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 99	Cllr Gumede Buyisiwe Rebecca Shezi Thamsanqa (Secretary) Khuzwayo Eugene Sibusiso Njapha Ntombenhle Shozi Forgiveness Kleinbooi Cyril Sphiwe Ngema Sipho Welcome Dlamini Thulisile Virginia Nxumalo Lucky Bhekithemba Dlamini Nkosinathi Malatsie Sandile Wonderboy	Yes	10 meetings held	10	Q1- 1 Q2- 0 Q3- 2 Q4- 0
Ward 100	Cllr Mkhize Mbuyiseni Percival Nyembe Lulu Irene (Secretary) Shozi Thanduyise Shange Mzondelwa Christofer Ngcobo Agnes Nomathemba Mtolo Abigail Hlengiwe Mkhize Mandlenkosi Joseph Mseleku Hlabelani	Yes	06 meetings held	6	Q1- 1 Q2- 1 Q3- 0 Q4- 0

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Mbeje Qapheleni Duma Sthembiso Agrippa Cele Michael Emmanuel Mpiloyakhe				
Ward 101	Cllr Ngiba Mkipheni Muzumuni Bayeni Mnikamuzi (Secretary) MphatsoeRalonya Mdiya Neliswa Zondi Clerment Malembe Sipho Bhekiswayo C. Mboneni Mfusi Happiness Mthembu Ndabenhle Nhlapo Siyabonga Notyesi Sicelo	Yes	09 meetings held	9	Q1- 2 Q2- 1 Q3- 1 Q4- 1
Ward 102	Cllr Thango Siyabonga Thango Sindi (Secretary) Mbulelwa Phumzile Nzuza Sipho Dudayo Thami Jele Nombulelo Cynthia Msezane Thulani Biyela Abigail Zanele Khuzwayo Nokuthula Phembela Lulama P Goba Nhlanhla	Yes	05 meetings held	5	Q1- 1 Q2- 0 Q3- 1 Q4- 1

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 103	Cllr Sibisi Mthethelezi Ngcobo Nokubonga (Secretary) Dlamini Lindani Sithole Phumlani Mthombeni Bongani Richard Nkonkoni Ephraim Vusi Hlongwane Xolani Anthony Graham Clothier Mkhosana Patrick Zolile Mthiyane Duncan Nduduzo Makhanya Zanele Jeanette	Yes	04 meetings held	4	Q1- 3 Q2- 0 Q3- 3 Q4- 2
Ward 104	Cllr Shezi Muziwenhlanhla Conelius Khanyile Gugu Petronella(Secretary) Khanyile Sbongile Ngwanya Mkhanyiseleni Bailey Ndo Marilyn Bennie Errol Thulani Magula Nonoza Steady Mafuleka Sinenhlanhla Mngadi Smanga Mdali Nkosinathi	Yes	09 meetings held	9	Q1- 1 Q2- 0 Q3- 2 Q4- 0

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Majozi Nduna Solomon				
Ward 105	Cllr Ndlovu Ayanda Brightman Hadebe Lungile (Secretary) Hlongwa Msizi Muthwe Thobile Mtungwa Kusakusa Mboneni Cele Sibongiseni Sixtus Mtungwa Mziwandile Mkhize Gugu Angel Maphumulo Portia Nondumiso Mhlongo Mpiyezwe Mkhize Beauty	Yes	10 meetings held	10	Q1- 1 Q2- 0 Q3- 0 Q4- 1
Ward 106	Cllr Chetty Johnson Mkhonza Hlengiwe (Secretary) Buthelezi Sifiso Cele Njabulo Khuzwayo Lindokuhle Lushozi Themba Zulu Sizwe Zikhali Muziwenkosi E Buthelezi Maria	Yes	09 meetings held	9	Q1- 1 Q2- 0 Q3- 1 Q4- 0
Ward 107	Cllr Mabanga Thandanani Njabulo Madazukana Siko (Secretary)	Yes	07 meetings held	7	Q1- 0

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Mhlongo Patricia N. Ncwane Thulisile T. Mzolisi Jojo M. Ntuli Njabulo Gumede Fisokuhlo R. Ngidi Zandile Khuzwayo Dolly Ngubane Welcome M. Mnomiya Thembeke				Q2- 0 Q3- 1 Q4- 3
Ward 108	Cllr Khuzwayo Sduduzo GwalaSizwe Njabulo(Secretary) Mbhele Bhekani Louis Ngubane Hlengiwe Precious Khumalo Jabulani Pius Ntuli Zithulele Fortune Dlamini Philisiwe Olga Khumalo Hloniphile Fortunate Nkwanyana Velenkosi Nelson Hlengwa Zinhle Portia Mthiyane Samukelisiwe Prudence	Yes	07 meetings held	7	Q1- 0 Q2- 1 Q3- 0 Q4- 2
Ward 109	Cllr Mangele Menzi Wilfred Ndaba Nolwazi(Secretary)	Yes	07 meetings held	7	Q1- 2

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	LuthuliAlbert Gumbi Siyanda Gerald Njapha Nokukhanya Mhlongo Thembi MsomiMandla Ngcobo Thulani Khuzwayo Tholiwe Mseleku Mhlabunzima				Q2- 1 Q3- 2 Q4- 2
Ward 110	Cllr Graham Peter John Cunningham Phulane Romeo(Secretary) Biyela Mandla Madlala Thandukwazi Tsalong Nokuthula Ngcobo Nokuphiwa Magaqa Dumile Seme Sibongiseni Zungu Siyabonga Mkhetwa Sbonelo Khanyile Sthembiso	Yes	05 meetings held	5	Q1- 0 Q2- 0 Q3- 0 Q4- 0

Appendix F: Capital Projects 2017/2018 by Ward – 30 June 2018

PROJECT NAME AND DETAILS	CLUSTER	DEPARTMENT	WARD(S) AFFECTED	START DATE	END DATE	TOTAL VALUE
INTERIM SERVICES						
Panekeni	Housing - Incremental Services	Housing - Interim Services	W004	Jan-17	Dec-18	1,462
Wathanga	Housing - Incremental Services	Housing - Interim Services	W007	Mar-17	Nov-18	1,761
Lungelani	Housing - Incremental Services	Housing - Interim Services	W058	Jun-17	Jun-18	1,653
Ivy Close	Housing - Incremental Services	Housing - Interim Services	R003	Jun-17	Feb-18	1,749
Jan Roz	Housing - Incremental Services	Housing - Interim Services	W062	Mar-17	Jun-18	1,539
Africa	Housing - Incremental Services	Housing - Interim Services	W055	Jun-17	Jun-18	3,871
Dassenhoek - Block C	Housing - Incremental Services	Housing - Interim Services	W014	Mar-17	Oct-18	1,396
Molweni (Romani 1)	Housing - Incremental Services	Housing - Interim Services	W009	Jun-17	Nov-18	3,235
Umlazi E2 (Egoli)	Housing - Incremental Services	Housing - Interim Services	W080	Jun-17	Jun-18	1,663
Ndliyomlilo	Housing - Incremental Services	Housing - Interim Services	W061	Mar-17	Jun-18	1,868
Luthuli Area	Housing - Incremental Services	Housing - Interim Services	W007	Jun-17	Nov-18	2,034
K7/AA Lusaka	Housing - Incremental Services	Housing - Interim Services	W078	Mar-17	Oct-18	1,887
Zimbabwe	Housing - Incremental Services	Housing - Interim Services	W053	Jun-17	Jun-18	2,008
Umlazi V10	Housing - Incremental Services	Housing - Interim Services	W080	Jun-17	Jun-18	2,487
Umlazi BB 868	Housing - Incremental Services	Housing - Interim Services	W084	Jun-17	Jun-18	2,092
Umlazi J4	Housing - Incremental Services	Housing - Interim Services	W077	Jun-17	Apr-18	1,293
Dark City	Housing - Incremental Services	Housing - Interim Services	W009	Jun-17	Nov-18	4,117
HOSTELS						
Umlazi T	Housing - Hostel	Housing - Hostel	W089	Mar-08	Jun-19	7,393
Kranskloof	Housing - Hostel	Housing - Hostel	W020	Jan-13	Jan-19	2,795
Umlazi Glebelands	Housing - Hostel	Housing - Hostel	W076	Jan-13	Apr-20	15,466
SJ Smith	Housing - Hostel	Housing - Hostel	W075	Jun-13	Jun-20	10,332
KwaMashu	Housing - Hostel	Housing - Hostel	W039	Jun-13	Jan-19	5,078
Dalton	Housing - Hostel	Housing - Hostel	W032	May-08	Jun-19	1,200
KwaMakhutha	Housing - Hostel	Housing - Hostel	W094	Oct-09	Jan-19	1,198
Thokoza	Housing - Hostel	Housing - Hostel	W031	Jun-17	Dec-20	8,126
Jacobs	Housing - Hostel	Housing - Hostel	W075	Jun-16	Jun-20	1,426
Klaarwater	Housing - Hostel	Housing - Hostel	W017	Feb-14	Feb-19	2,982
HOUSING INFRASTRUCTURE						
Burlington Greenfields - Extension	Housing - Infrastructure	Housing - Infrastructure	W065	Jan-13	Jan-19	7,984
Etafuleni Ph 1A(DB)	Housing - Infrastructure	Housing - Infrastructure	W053	Nov-07	Oct-19	2,259
Etafuleni Ph 1B-3	Housing - Infrastructure	Housing - Infrastructure	W056	Nov-16	Jun-19	9,962
Kloof extension 15 & 21 (KwaBhontshisi)	Housing - Infrastructure	Housing - Infrastructure	R002	Mar-18	Mar-20	12,995
Lamontville Informal settlement	Housing - Infrastructure	Housing - Infrastructure	W075	Mar-09	Jun-20	6,763
Mona Sunhill	Housing - Infrastructure	Housing - Infrastructure	W061	Jun-15	Jun-20	22,813

Ntuzuma D Ph 2&3 (Stage 2)	Housing - Infrastructure	Housing - Infrastructure	W043	May-15	Nov-18	8,479
Ntuzuma G Infill & G Triangle	Housing - Infrastructure	Housing - Infrastructure	W055	May-16	Jan-19	3,828
Oakford Pr.	Housing - Infrastructure	Housing - Infrastructure	W059	Jun-15	Dec-19	32,987
Umlazi B10	Housing - Infrastructure	Housing - Infrastructure	W077	Jun-06	Jun-18	4,764
Umlazi Infill - g20	Housing - Infrastructure	Housing - Infrastructure	W079	Jun-17	Oct-19	7,306
Umlazi Infill (GX5)	Housing - Infrastructure	Housing - Infrastructure	W085	Jun-17	Oct-19	9,044
Umlazi Infill - Part 4 - HX2	Housing - Infrastructure	Housing - Infrastructure	W079	Jun-17	Oct-19	17,596
Etafuleni 1B2	Housing - Infrastructure	Housing - Infrastructure	W056	Jun-16	Jun-20	20,006
Cornubia Ph 1B Remedial Footpaths	Housing - Infrastructure	Housing - Infrastructure	W102	May-14	Jul-18	9,884
Thambo Plaza	Housing - Infrastructure	Housing - Infrastructure	W057	Jan-12	Oct-19	1,957
Kennedy Road	Housing - Infrastructure	Housing - Infrastructure	W025	Mar-17	Jun-19	1,114
Kwadabeka A infill	Housing - Infrastructure	Housing - Infrastructure	W020	Oct-17	Dec-20	2,418
ZAMANI PHASE PHASE 1B	Housing - Infrastructure	Housing - Infrastructure	W091	Nov-13	Dec-18	12,301
Umlazi Infill - BX4 Ward 88	Housing - Infrastructure	Housing - Infrastructure	W088	Jun-17	Oct-19	3,360
Cornubia 1B1	Housing - Infrastructure	Housing - Infrastructure	W102	May-14	Jul-18	2,220
Strategic Land Acquisition &	Housing - Infrastructure	Housing - Infrastructure	10	Jul-15	Jun-20	61,672
Umlazi Area 1	Housing - Infrastructure	Housing - Infrastructure	W076	Dec-17	Dec-19	85,396
Cornubia 1B3	Housing - Infrastructure	Housing - Infrastructure	W102	May-14	Jul-18	6,489
ENGINEERING						
ARCHITECTURAL						
Depot Rationalisation	Engineering	Engineering- Architecture	0010	2017-07-01	2018-06-30	9,757

ROADS & STORMWATER MAINTENANCE						
Low volume roads surfacing programme	Engineering	Eng - Roads & stormwater maintenance	0010	2017-07-01	2018-06-30	21,170
ROADS						
106589 STR - gravel to surface , ward 38	Engineering	Engineering - Roads	W038	2018-04-18	2018-10-30	2,328
Ilozane STR - gravel to surface , Ward 38	Engineering	Engineering - Roads	W038	2018-04-18	2018-10-30	1,715
NOGWAJA RD - gravel to surface , Ward 47	Engineering	Engineering - Roads	W047	2017-08-28	2018-06-18	1,817
ANGOLA BUS ROUTE - gravel to surface , Ward 53/56	Engineering	Engineering - Roads	R003	2009-01-07	2018-08-30	35,770
NEW RIVER SCHOOL ROAD - gravel to surface , Ward 5	Engineering	Engineering - Roads	W005	2017-07-18	2017-11-01	4,154
Road Upgrade- TRK 75165 gravel to surface Ward 14	Engineering	Engineering - Roads	W014	2017-09-26	2018-04-20	1,752
Road Upgrade- 201199STR &200499STR gravel to surface Ward 15	Engineering	Engineering - Roads	W015	2017-10-26	01-07-2019	2,237
Fernham Drive - Sidewalks , ward 52/54	Engineering	Engineering - Roads	R003	2017-11-02	2018-05-11	2,432
Road Rehabilitation(Blocksum)	Engineering	Engineering - Roads	0010	2017-07-01	2018-06-30	157,263
Road Rehabilitation(Blocksum)	Engineering	Engineering - Roads	0010	2017-07-01	2018-06-30	4,095

Shop Road - 62011 Trk , gravel to surface , Ward 103	Engineering	Engineering - Roads	W103	2018-01-15	15-07-2020	15,542
Road 108706 - Ward 57	Engineering	Engineering - Roads	W057	01-02-2018	02-12-2018	1,792
Minor Rehab-Sydney Road,	Engineering	Engineering - Roads	0010	2014-04-20	2014-12-10	1,398
Minor Rehab-Archary Road,	Engineering	Engineering - Roads	0010	2015-02-19	2015-07-11	1,469
Rehab-Cliffview	Engineering	Engineering - Roads	W065	2017-04-04	2017-09-15	1,410
Rehab: Devon Terrace	Engineering	Engineering - Roads	W080	2016-08-05	2016-09-26	1,487
Rehab:Masibonge Drive	Engineering	Engineering - Roads	W085	2017-12-01	2018-02-15	2,417
Seal: 30th Ave	Engineering	Engineering - Roads	W065	2017-02-28	2018-01-15	1,036
Seal: Waverly Road	Engineering	Engineering - Roads	W065	2017-02-28	2018-01-15	1,143
Rehab:Sarnia Road	Engineering	Engineering - Roads	W065	2017-02-28	2018-01-15	16,551
Rehab:Powerline Str	Engineering	Engineering - Roads	W070	2017-02-28	2018-01-15	1,172
Rehab:Crimby Ave	Engineering	Engineering - Roads	W070	2017-02-28	2018-01-15	2,851
Rehab:Strelitzia Rd	Engineering	Engineering - Roads	W070	2017-02-28	2018-01-15	1,016
Rehab:Glenover Rd	Engineering	Engineering - Roads	W070	2017-02-28	2018-01-15	1,399
Rehab: Prince Mcwayizeni Dr(16	Engineering	Engineering - Roads	W076	2017-02-28	2018-01-15	1,502
VARIOUS ACCESS ROADS IN UMLAZI	Engineering	Engineering - Roads	W082	2016-04-11	2017-04-03	2,366
BELLAIR ROAD UPGRADE - PHASE	Engineering	Engineering - Roads	W029	2016-01-12	2017-07-31	3,965
Gudlintaba RD (RDID-86070)	Engineering	Engineering - Roads	W008	2016-01-05	2018-05-29	2,606
ROAD TRK 86714 (RDID 6849	Engineering	Engineering - Roads	W009	2016-01-05	2018-10-11	6,935
CRECHE ROAD - gravel to surface , Ward 1	Engineering	Engineering - Roads	W001	2017-08-01	2017-12-14	3,783
ROAD 108512 WARD 54	Engineering	Engineering - Roads	W054	2018-02-02	2018-12-02	1,698
Upgrade - ST 200709, Kwadabeka	Engineering	Engineering - Roads	W014	2016-06-13	2018-08-06	4,510
Road A637 upgrade gravel to surface Ward 94	Engineering	Engineering - Roads	W094	2018-05-02	2019-06-05	1,483
Road A626 upgrade gravel to surface Ward 95	Engineering	Engineering - Roads	W095	2017-06-12	2017-12-07	2,876
Ndoda Mpungose upgrade gravel to surface Ward 67	Engineering	Engineering - Roads	W067	2018-01-22	2018-06-04	1,064
Upgrade- Twelfth STR, Thornwood	Engineering	Engineering - Roads	W015	2017-02-07	2017-06-05	1,681
Road Upgrade- 211744STR gravel to surface Ward 12	Engineering	Engineering - Roads	W012	2018-02-07	2018-08-07	3,600

Ubhaqa Rd Upgrade gravel to surface Ward 13	Engineering	Engineering - Roads	W013	2017-09-26	2018-01-25	1,328
Road Upgrade- Mfeme Rd gravel to surface Ward 16	Engineering	Engineering - Roads	W017	2018-01-15	2018-05-04	1,277

Road Upgrade- 47058TRK gravel to surface Ward 72	Engineering	Engineering - Roads	W072	2017-08-07	2017-12-15	2,972
CONSTRUCTION OF ACCESS RDS W005	Engineering	Engineering - Roads	W005	2017-10-02	2018-04-01	5,388
STORMWATER						
Durban Central Beachfront: Infrastructure Works	Engineering	Eng - Stormwater	W026	2017-07-01	2018-06-30	29,359
North Beach Road, Umdloti	Engineering	Eng - Stormwater	W058	2017-05-25	2017-11-30	7,376
S/W upgrade montclair pipe	Engineering	Eng - Stormwater	W064	2016-06-27	2017-12-15	3,423
Tunnel Road, Dassenhoek	Engineering	Eng - Stormwater	W014	2017-08-25	2017-11-27	1,362
Duiker road/Delta Road	Engineering	Eng - Stormwater	W090	2017-09-11	2019-06-30	3,145
North Beach Road, Umdloti	Engineering	Eng - Stormwater	W058	2018-03-05	2017-11-30	5,560
Ansteys Stormwater Outfall	Engineering	Eng - Stormwater	W066	2017-11-15	2019-06-30	4,928
Reinstatement of New Beach Outfalls	Engineering	Eng - Stormwater	R001	2018-05-21	2019-06-30	2,820
10 Marshall Road- Amanzimtoti North: Flooding due to inadequate drainage system	Engineering	Eng - Stormwater	W093	2018-02-08	2019-06-30	2,514
Poppy Place	Engineering	Eng - Stormwater	W025	2018-02-22	2018-07-25	1,366
Capell Rd	Engineering	Eng - Stormwater	W025	2018-02-22	2018-07-31	1,554
708 Andrew Zondo Rd, Amanzimtoti	Engineering	Eng - Stormwater	W093	2017-11-13	2018-03-28	1,870
Mahes Road -Isipingo: Blocked culvert inlet led to water to overtop and damages properties downstream	Engineering	Eng - Stormwater	W090	2018-02-05	2019-06-30	2,074
Egret Lane, Umhlanga	Engineering	Eng - Stormwater	W035	2018-02-07	2018-05-11	2,392
Ridge Road, La Lucia	Engineering	Eng - Stormwater	W035	2018-03-07	2018-05-11	2,419
Chipstead Ave	Engineering	Eng - Stormwater	W066	2018-03-12	2018-06-25	1,202
Doreen Cres	Engineering	Eng - Stormwater	W035	2018-02-19	2018-06-15	4,146
RANGLES RD PARK ATTENUATI	Engineering	Eng - Stormwater	W025	2018-03-13	2018-08-30	3,775
46 HENDON RD ,KENVILLE	Engineering	Eng - Stormwater	W034	2018-02-08	2018-04-10	1,161
57 SIGWEGWE RD	Engineering	Eng - Stormwater	W040	2018-02-07	2018-07-27	2,261
42 ILLOVO RD	Engineering	Eng - Stormwater	W040	2018-02-07	2018-08-01	2,694
350 UMATHINTA DRIVE KWAMA	Engineering	Eng - Stormwater	W045	2018-02-08	2019-06-30	3,147
3 KHULANATHI WAY	Engineering	Eng - Stormwater	W047	2018-04-03	2018-06-28	3,783
SEYMOUR RD	Engineering	Eng - Stormwater	W063	2018-02-07	2018-05-31	2,380
18 WILLOW PARK DR	Engineering	Eng - Stormwater	W064	2018-03-02	2018-05-31	1,791
MAXWELL AVE	Engineering	Eng - Stormwater	W066	2018-03-12	2018-06-22	1,800
89 HAVENSIDE DRIVE ,HAVEN	Engineering	Eng - Stormwater	W069	2018-03-14	2019-06-30	2,325
CORNER SILVERGLEN DR &	Engineering	Eng - Stormwater	W070	2018-03-05	2018-06-07	1,212

60 ILK CLOSE WESTCLIFF	Engineering	Eng - Stormwater	W073	2018-02-28	2018-06-08	1,149
MPANZA RD ,LAMONTVILLE	Engineering	Eng - Stormwater	W074	2018-02-18	2018-04-26	2,204
GWALA STREET,LAMONTVILLE	Engineering	Eng - Stormwater	W074	2018-02-12	2018-03-05	1,200

1607 WEST SIDE UMLAZI N	Engineering	Eng - Stormwater	W082	2018-04-25	2019-06-30	1,200
MAHES RD, ISIPINGO : BLOC	Engineering	Eng - Stormwater	W090	2018-02-05	2019-06-30	2,483
737 ANDREW ZONDO ROAD	Engineering	Eng - Stormwater	W093	2018-02-05	2019-06-30	3,587
9 GOODHOPE WAY-SLIPPED RD	Engineering	Eng - Stormwater	W097	2018-02-05	2019-06-30	4,187
MACLEAN ROAD-COLLAPSED RD	Engineering	Eng - Stormwater	W099	2018-01-29	2018-06-29	6,108
PHOENIX H/WAY & OLD NORTH	Engineering	Eng - Stormwater	W102	2018-04-04	2018/02/31	1,189
PARK RD,ATHOLE PARK	Engineering	Eng - Stormwater	W093	2018-01-29	2018-05-31	6,892
40/42 RIVERSIDE RD, TOTI	Engineering	Eng - Stormwater	W097	2018-03-02	2019-06-30	6,885
ETHEKWENI TRANSPORT AUTHORITY						
PT shelters	Ethekwini Transport Authority	Ethekwini Authority	0010	2017-07-01	2025-06-30	1,600
Corridor C3 - PTIS funded	Ethekwini Transport Authority	Ethekwini Authority	0010	2013-07-01	2020-01-31	374,905
Corridor C9 - PTIS funded	Ethekwini Transport Authority	Ethekwini Authority	R003	2018-07-01	2023-06-30	1,989
Bridge City Depot - PTIS funded	Ethekwini Transport Authority	Ethekwini Authority	R003	2013-07-01	2020-01-31	5,854
ITS & IFMS - PTIS funded	Ethekwini Transport Authority	Ethekwini Authority	0010	2018-07-01	2023-06-30	19,736
Upgrade of area traffic control system	Ethekwini Transport Authority	Ethekwini Authority	0010	2017-07-01	2018-06-30	1,213
LED Upgrade	Ethekwini Transport Authority	Ethekwini Authority	0010	2017-07-01	2022-06-30	1,893
ITS Equipment	Ethekwini Transport Authority	Ethekwini Authority	0010	2017-02-01	2018-06-30	1,810
MX Traffic signal controllers	Ethekwini Transport Authority	Ethekwini Authority	0010	2017-02-01	2018-06-30	1,509
Tomato Hall Taxi Rank - Roof Upgrade	Ethekwini Transport Authority	Ethekwini Authority	W028	2017-02-02	2018-06-30	3,465
IRPTN - Land Acquisition	Ethekwini Transport Authority	Ethekwini Authority	0010	2018-07-01	2023-06-30	1,885
Inanda Arterial Extention	Ethekwini Transport Authority	Ethekwini Authority	W027	2016-07-01	2020-05-03	7,856
Bridge City Depot	Ethekwini Transport Authority	Ethekwini Authority	R003	2018-07-01	2023-06-30	3,401
Cornubia Blvd	Ethekwini Transport Authority	Ethekwini Authority	W102	2015-05-05	2022-06-30	107,414
Inanda arterial extension	Ethekwini Transport Authority	Ethekwini Authority	W027	2017-07-01	2018-06-30	26,714
Zonal Plans - Speed Humps	Ethekwini Transport Authority	Ethekwini Authority	0010	2017-07-01	2018-06-30	3,882
Pedestrian Safety - Kennedy Road	Ethekwini Transport Authority	Ethekwini Authority	W025	2017-10-01	2018-06-30	3,466
Local Safety improvements - Intersection : Ingcebo/Mbondwe Road/ Richmond Road	Ethekwini Transport Authority	Ethekwini Authority	W045	2016-04-04	2017-12-15	4,707
University Avenue Taxi rank - Office Block	Ethekwini Transport Authority	Ethekwini Authority	W028	2017-07-01	2019-06-30	1,260
Water						
Sundry Equipment	Water	Water	0010	2017-02-01	2018-06-30	1,776
Water meters	Water	Water	0010	2017-02-01	2018-06-30	5,827
Reservoir refurbishment	Water	Water	0010	2018-01-03	2021-03-01	1,065
Zwelibomvu Reservoir	Water	Water	W100	2017-01-07	2018-06-30	17,001
Ensimbini reservoir	Water	Water	W095	2016-08-15	2017-07-03	17,697
Umnini reservoir	Water	Water	W098	2017-04-01	2018-10-31	16,018
Pump Station Upgrading	Water	Water	0010	2017-07-01	2018-06-30	1,162
Sundry Equipment P&L	Water	Water	0010	2018-03-01	2021-03-01	1,477
Fleet - Water	Water	Water	0010	2018-03-01	2021-03-01	46,890

Upgrade of SCADA systems and monitoring	Water	Water	0010	2017-01-06	2020-06-01	4,138
Waterloss	Water	Water	0010	2017-07-01	2018-06-30	12,987
Relays & Extension	Water	Water	0010	2017-07-01	2018-06-30	12,230
Rural Water (Blocksum)	Water	Water	0010	2017-07-01	2018-06-30	5,024
Augmentation of Bulk supply to Adams mission 5 res	Water	Water	W096	2017-02-01	2018-06-30	3,586
KM1 Res Inlet Extension	Water	Water	R003	2016-03-15	2018-06-29	4,598
Bulk Water Supply to Oakford Priory	Water	Water	W060	2017-01-01	2018-06-30	3,717
Labour Based Construction - Housing (Water)	Water	Water	0010	2017-07-01	2018-06-30	1,130
Water Flagship Project - Western Aqueduct	Water	Water	0010	14/02/2008	31/12/2020	100,122
Northern Aquaduct	Water	Water	0010	24/6/2009	31/12/2020	98,083
Replacement of water pipes	Water	Water	0010	2017-01-01	2021-06-30	5,795
Rural Water (Blocksum)	Water	Water	0010	2017-07-01	2018-06-30	10,227
Domestic meters - Installation	Water	Water	0010	2017-07-01	2018-06-30	1,296
Prv Installation	Water	Water	0010	2017-07-01	2018-06-30	2,461
Hammersdale H/LET	Water	Water	W004	2016-01-01	2016-05-01	1,307
SIHOTH & MAPHEPHETHA ROADS	Water	Water	W032	2017-07-01	2018-06-30	1,381
PINKNEY PARK-ZONE 1&2	Water	Water	R003	2017-07-01	2018-12-16	1,648
MABEDLANA	Water	Water	W018	2017-07-01	2018-06-30	21,926
NTUZUMA C	Water	Water	W042	2017-07-01	2018-06-30	1,347
INFORMAL SETTLEMENTS METERING	Water	Water	W062	2017-07-01	2018-06-30	8,171
BHEKULWANDLE PILOT AREA PHASE 2	Water	Water	0010	2018-02-01	2021-03-01	1,637
ICI INDUSTRIAL, COMMERCIAL	Water	Water	W067	2017-07-01	2018-06-30	8,616
CONTRACT WS.6713	Water	Water	0010	2018-02-01	2021-03-01	9,333
TRAFFORD ROAD	Water	Water	W103	2016-06-01	2019-06-30	4,019
THE PROVISION OF ENGINEERING	Water	Water	W024	2017-07-01	2018-06-30	3,907
Installation of domestic meters	Water	Water	W099	2018-02-01	2021-03-01	2,281
Ogunjini	Water	Water	0010	2018-02-01	2021-03-01	1,468
Instal/Upgrade reservoir	Water	Water	W004	2018-02-01	2021-03-01	2,183
Lower Molweni	Water	Water	W032	2017-07-01	2018-06-30	1,642
Umnini reservoir	Water	Water	W009	2015-10-20	2019-10-30	1,367
Mshayazafe Water	Water	Water	W099	2015-10-20	2019-10-30	1,159
Groenberg BPT	Water	Water	W019	2015-10-20	2019-10-30	1,275
Nombanjane	Water	Water	W074	2015-10-20	2019-10-30	1,955
Upgrade Kwamakhutha Pumpstation	Water	Water	R003	2017-07-01	2018-06-30	1,143
CLERMONT ROAD, KWA DABEKA	Water	water	R003	2015-10-20	2019-10-30	4,192
CHERITON DR TO MOODIE STRT PTN	Water	water	R003	2015-10-20	2019-10-30	17,391
PINKNEY PARK RESERVOIR NIAGARA	Water	water	R003	2017-07-01	2018-12-16	1,907

WATERLOO RESERVOIR TO SIBAYA	Water	water	R003	2017-07-01	2018-12-16	54,584

SANITATION						
Amanzimtoti Old main Rd Sewer Reticulation	Sanitation	Sanitation	W097	2017-05-22	2018-06-29	5,783
Sea Outfalls Inspection	Sanitation	Sanitation	W068	2017-03-01	2018-06-30	10,362
Amanzimtoti WWTW Sludge Dewatering	Sanitation	Sanitation	W093	April 2017	March 2020	1,516
Refurbishment of Pipe Bridge at Umbilo WWTW	Sanitation	Sanitation	W033	2017-05-22	2018-06-29	3,689
Amanzimtoti Old main Rd Sewer Reticulation	Sanitation	Sanitation	W097	2017-05-22	2018-06-29	8,896
Swwtw Digester Online	Sanitation	Sanitation	W068	2017-07-01	2018-06-30	31,254
Hammarsdale Elangeni Sewer reticulation	Sanitation	Sanitation	W004	2016-10-10	2018-06-03	3,143
Pipe Bridge Over Mbokodweni river to replace exi	Sanitation	Sanitation	W093	2017-05-22	2018-06-29	4,420
Amanzimtoti WWTW Sludge Dewatering	Sanitation	Sanitation	W093	April 2017	March 2020	1,015
Mahatma Ghandi Trunk Sewer Rehabilitation Pha	Sanitation		W026	2016-06-27	2018-03-12	20,788
Ntuzuma E Outfall Sewer/Inanda Glebe Sewer Ret	Sanitation	Sanitation	W043	2017-05-22	2018-06-29	1,448
Ablution Blocks - Bulk Infrastructure Projects	Sanitation	Sanitation	0010	2015-02-01	2019-02-01	14,355
Refund to THD for Cornubia eastern trunk sewer	Sanitation	Sanitation	W035	2017-05-01	2018-06-30	2,730
Northern Area pump stations new pumps and upgrades	Sanitation	Sanitation	R003	2017-05-22	2018-06-29	2,616
Rural Sanitation (Block Sum)	Sanitation	Sanitation	0010	2018-09-01	2019-06-01	23,679
Ntuzuma E Outfall Sewer/Inanda Glebe Sewer Reticulation	Sanitation	Sanitation	W043	2017-05-22	2018-06-29	1,562
Ablution Blocks - In Situ Upgrade	Sanitation	Sanitation	0010	2015-02-01	2019-01-01	125,903
Ablution Blocks - In Situ Upgrade	Sanitation	Sanitation	0010	2015-02-01	2019-01-01	93,976
SUNDRY TOOLS & EQUIPMENT	Sanitation	Sanitation	W025	2017-05-22	2018-06-29	1,844
Desludging Northern WWTPONDS	Sanitation	Sanitation	R003	24/01/2017	02/05/2018	1,428
Waterwater Treatment Works Pond Desludging	Sanitation	Sanitation	R003	2017-07-01	2018-06-30	2,156
7TH AVENUE RETICULATION	Sanitation	Sanitation	R005	2017-05-22	2018-06-29	1,258
REHAB AND PIPE REPLACEMENT	Sanitation	Sanitation	R003	2017-05-22	2018-06-29	11,529
NEXT TO HOUSE NO.1664 UMLAZI A	Sanitation	Sanitation	R003	2017-05-22	2018-06-29	1,314
SOLID WASTE						

Replacement of Compaction Units at T/S	Solid Waste	Solid Waste	0010	2017-04-23	30/11/2018	3,424
Fleet - Solid Waste	Solid Waste	Solid Waste	0010	2017-07-01	2018-06-30	74,643
Small Plant & Equipment	Solid Waste	Solid Waste	0010	2017-07-01	2018-06-30	6,706
Steel Skips (Plant & Equipment)	Solid Waste	Solid Waste	0010	2017-07-01	2019-06-30	3,404
Computer Equipment	Solid Waste	Solid Waste	0010	2017-07-01	2018-06-30	1,176
Wheeled Containers 240L	Solid Waste	Solid Waste	0010	2017-07-01	2018-06-30	1,443
Lowu Landfill Cell Phases and Infrastructure Works	Solid Waste	Solid Waste	W098	2018-02-05	2019-06-30	5,502
Rehabilitation of Leachate Treatment Plants at Mariannhill & Buffelsdraai	Solid Waste	Solid Waste	R004	2018-05-01	2018-10-30	1,771
Wash Bays for Ton,Ott,Wye,Isip,Kings,	Solid Waste	Solid Waste	0010	2017-07-01	2022-06-30	1,654

BUFFELSDRAAI GAS TO ELECT	Solid Waste	Solid Waste	W059	2017-06-05	2017-11-05	1,927
Replacement of compactment unit @3 transfer stations	Solid Waste	Solid Waste	0010	2017-04-23	revised to: 30/11/2018	1,609
ELECTRICITY						
Bulwer 132/11kv s/stn	Electricity	Electricity	W031	2015-07-01	2019-06-30	40,703
Communication Network Links	Electricity	Electricity	W026	2016-07-01	2018-06-30	2,953
Servitudes-Intangible	Electricity	Electricity	0010	2015-07-01	2019-06-30	2,383
Smart Metering-Demand Management	Electricity	Electricity	W026	2015-07-01	2019-06-30	11,707
Smart Metering-Demand Management	Electricity	Electricity	W026	2015-07-01	2019-06-30	9,075
Stockville 132Kv Switching Stn	Electricity	Electricity	0010	2018-07-01	2023-06-30	1,604
Prepayment Connection Costs	Electricity	Electricity	0010	2017-07-01	2018-12-31	56,584
Oakford Housing	Electricity	Electricity	W060	2017-07-01	2018-12-31	2,817
Woodyglen	Electricity	Electricity	W018	2017-07-01	2018-12-31	3,181
Cornubia Housing	Electricity	Electricity	W102	2017-07-01	2018-12-31	2,979
Demat Informal 1 & 2	Electricity	Electricity	W028	2017-07-01	2018-12-31	2,373
Conventional Meters	Electricity	Electricity	0010	2016-07-01	2018-06-30	7,171
Sundry New Supply	Electricity	Electricity	0010	2017-07-01	2018-12-31	1,734
90 Ashley Drive	Electricity	Electricity	W028	2017-07-01	2018-12-31	3,144
9 Trafford Road	Electricity	Electricity	W028	2017-07-01	2018-12-31	3,152
N2 Business Estate	Electricity	Electricity	W035	2017-07-01	2018-12-31	1,414
Arbour Road Umbogintwini	Electricity	Electricity	W093	2017-07-01	2018-12-31	1,420
Sbu Mkhize Drive - Adams Mission	Electricity	Electricity	W067	2017-07-01	2018-12-31	5,143
River Road (Bellair)	Electricity	Electricity	W065	2017-07-01	2018-12-31	8,267
Essex Terrace DSS	Electricity	Electricity	W025	2017-07-01	2018-12-31	1,863
Lamontville Reinforcement	Electricity	Electricity	W074	2017-07-01	2018-12-31	2,824
Sundry Replacement	Electricity	Electricity	0010	2017-07-01	2018-12-31	1,967
Hillcrest 132/11kv Substation	Electricity	Electricity	W009	2009-07-01	2019-06-30	1,483
Verulam Transformers	Electricity	Electricity	W060	2018-02-01	2019-06-30	8,499
Umbogintwini 132 kv Upgrade	Electricity	Electricity	W093	2010-07-01	2021-06-30	2,827
Ottawa 132/11kv S/Stn	Electricity	Electricity	0010	2009-07-01	2020-06-30	15,251
Rosburgh 132/11KV S/stn	Electricity	Electricity	W032	2015-07-01	2022-06-30	1,723
Underwood 132/11kv Building	Electricity	Electricity	W018	2007-07-01	2021-06-30	31,270
Jameson Park Cables	Electricity	Electricity	W027	2017-07-01	2022-06-30	13,378
Bulwer Substation Building	Electricity	Electricity	W031	2014-07-01	2021-06-30	12,740
Avoca 132/11KV Substation	Electricity	Electricity	W034	2008-07-01	2019-06-30	13,564
Dalton -Grosvenor 132 KV Cable	Electricity	Electricity	W032	2016-07-01	2019-06-30	31,243
Rosburgh-Congella 132KV cable	Electricity	Electricity	W032	2016-07-01	2020-06-30	23,913
HV Substation Construction	Electricity	Electricity	W026	2006-07-01	2020-06-30	2,246
OPGW Installation	Electricity	Electricity	R002	2015-07-01	2019-06-30	5,815

Klaarwater/Umgeni OHTL	Electricity	Electricity	R002	2011-07-01	2018-06-30	5,164
Revenue Protection	Electricity	Electricity	0010	2016-07-01	2019-06-30	5,266

Klaarwater / Hillcrest OHTL Tower 1 to 19	Electricity	Electricity	W017	2016-07-01	2019-06-30	1,064
Springpark S/Stn	Electricity	Electricity	W036	2013-07-01	2021-06-30	32,586
K E Masinga S/STN	Electricity	Electricity	W026	2013-07-01	2019-06-30	1,554
Underwood S/stn	Electricity	Electricity	W018	2007-07-01	2021-06-30	13,885
K E Masinga GIS EQUIPMENT	Electricity	Electricity	W027	2013-07-01	2019-06-30	1,715
Substation Reinforcement	Electricity	Electricity	W001	2016-07-01	2018-06-30	12,745
New Supply Sundry	Electricity	Electricity	0010	2016-07-01	2018-06-30	1,195
Formal Settlements	Electricity	Electricity	0010	2016-07-01	2018-06-30	4,750
Informal Settlement	Electricity	Electricity	0010	2016-07-01	2018-06-30	7,836
MV/LV NEW SUPPLY OHM	Electricity	Electricity	0010	2016-07-01	2018-06-30	2,202
Informal Settlement	Electricity	Electricity	0010	2016-07-01	2018-06-30	6,825
MV/LV NEW SUPPLY UGM	Electricity	Electricity	0010	2016-07-01	2018-06-30	44,223
MV/LV SERVICE CONNECTIONS	Electricity	Electricity	0010	2016-07-01	2018-06-30	3,244
PREPayment Connection NER	Electricity	Electricity	0010	2016-07-01	2018-06-30	3,124
NEW Supply SL	Electricity	Electricity	0010	2016-07-01	2018-06-30	6,256
CAPITAL REPLACEMENT	Electricity	Electricity	0010	2016-07-01	2018-06-30	10,967
NEW SUPPLY S/STN	Electricity	Electricity	0010	2016-07-01	2018-06-30	36,886
REINFORCEMENT UGM	Electricity	Electricity	0010	2016-07-01	2018-06-30	18,734
CAPITAL REPLACEMENT UGM	Electricity	Electricity	0010	2016-07-01	2018-06-30	3,780
INFormal Settlement UGM	Electricity	Electricity	0010	2016-07-01	2018-06-30	3,940
PREPAID METERS CENTRAL	Electricity	Electricity	0010	2016-07-01	2018-06-30	2,704
CONVentional Meters CENTRAL	Electricity	Electricity	R001	2016-07-01	2018-06-30	1,035
JAMAICA INFORMAL SETTLEMENT	Electricity	Electricity	W056	2017-07-01	2018-12-31	4,344
PREPAID METERS S WESTERN	Electricity	Electricity	W072	2016-07-01	2018-06-30	3,584
JACOBS S/STN	Electricity	Electricity	W075	2017-07-01	2018-06-30	2,981
TRANSFORMER INSTALLATION	Electricity	Electricity	W060	2006-07-01	2019-06-30	2,701
LV NETWORKS	Electricity	Electricity	0010	2016-07-01	2018-06-30	2,148
MV/LV NEW SUPPLY	Electricity	Electricity	0010	2016-07-01	2018-06-30	5,150
NETWORK MANAGEMENT SYSTEM	Electricity	Electricity	0010	2016-07-01	2018-06-30	2,116
Westmead S/Stn Transformer Equipment	Electricity	Electricity	W015	2016-07-01	2020-06-30	1,221
Springpark S/Stn	Electricity	Electricity	W036	2013-07-01	2021-06-30	4,802
Dalton-Cathedral 132kv Cable Replacement	Electricity	Electricity	W026	2018-01-31	2021-06-30	11,926
Old Fort-Addington 132KV Cable Replacement	Electricity	Electricity	W026	2018-01-31	2019-06-30	11,579
Umlazi Substation Reinstatement of Civil Works	Electricity	Electricity	W075	2017-01-31	2021-06-30	19,519
2 MEIRICKTON HILLCREST	Electricity	Electricity	W010	2017-07-01	2018-12-31	2,014
C2425 - Springpark	Electricity	Electricity	W037	2013-07-01	2021-06-30	8,496
Hillcrest Substation	Electricity	Electricity	W010	2009-07-01	2020-06-30	5,499

Substation equipment replacement project	Electricity	Electricity	0010	2017-07-01	2018-06-30	74,549
NORTHERN REGION - UNDERGROUND	Electricity	Electricity	0010	2016-07-01	2018-06-30	6,805

LIGHTING						
Lighting -Major Route Improvements	Electricity	Electricity	0010	2017-07-01	2018-06-30	1,232
Lighting -New Major Routes	Electricity	Electricity	0010	2017-07-01	2018-06-30	2,948
Lighting- Sundry	Electricity	Electricity	0010	2017-07-01	2018-06-30	8,977
COMPUTER EQUIPMENT						
Scada Servers	Electricity	Electricity	0010	2017-07-01	2018-06-30	2,077
Server Hardware	Electricity	Electricity	0010	2017-07-01	2018-06-30	2,306
COMPUTER SOFTWARE						
Distribution Automation Project	Electricity	Electricity	0010	2014-07-01	2020-06-30	11,493
MV/LV Distribution Automation Project	Electricity	Electricity	0010	2014-07-01	2020-06-30	1,608
System Communication & Control	Electricity	Electricity	0010	2017-07-01	2019-06-30	3,767
GIS System	Electricity	Electricity	0010	2017-07-01	2019-06-30	3,125
Computer Software & Licences	Electricity	Electricity	0010	2017-07-01	2019-06-30	86,205
BUILDINGS						
Training Centre-Springfield	Electricity	Electricity	0010	2016-07-01	2019-06-30	4,336
Northern Depot - Female Restroom	Electricity	Electricity	0010	2016-07-01	2018-06-30	1,346
N/W Depot New Female Changeroom & Standby	Electricity	Electricity	0010	2016-07-01	2018-06-30	3,249
Control Centre Building Additions	Electricity	Electricity	0010	2015-07-01	2018-06-30	15,078
Energy Control Building-Kings Road	Electricity	Electricity	W018	2016-07-01	2019-06-30	13,889
PLANT & EQUIPMENT						
Storage Battery EquipmentSubstation Plant - Prote	Electricity	Electricity	0010	2017-07-01	2018-06-30	3,356
VEHICLES						
Cars & Vans	Electricity	Electricity	0010	2017-07-01	2018-06-30	17,916
COMMUNITY & EMERGENCY SERVICES						
COMMUNITY & EMERGENCY SERVICES - HSS						
CEMETERIES						
Worst Condition Assets (Cdi 0-40%) Condition Index	C E S	Prcc - Cemeteries	0010	2017-07-01	2020-06-01	3,321

Fencing of Cemeteries (etafuleni,kwamashu,mophela,ntuzuma,molweni,kwadabeka)	C E S	Prcc - Cemeteries	W024	2017-07-01	2019-06-01	6,478
COMMUNITY HALLS						
Development of New Halls	C E S	PRC- Halls	0010	2018-07-01	2020-06-30	1,670

Worst condition Assets (Cdi 40%-60%) Condition Index - Rehabilitation - Hall	CES	PRC- Halls	0010	2018-07-01	2020-06-30	2,256
Zonal : Halls	C E S	PRC- Halls	0010	2018-07-01	2020-06-01	1,610
LIBRARIES						
Purchase of library books	C E S	PRC- Libraries	0010	2017-07-01	2018-06-30	21,278
Amaoti (New Infrastructure)	C E S	PRC- Libraries	W024	2016-06-01	2019-06-01	6,010
Fencing & Paving : Libraries	C E S	PRC- Libraries	0010	2018-07-01	2020-06-30	1,763
Whetstone Library	C E S	PRC- Libraries	W052	2017-07-01	2019-06-01	2,267
Plant and Equipment (ICT Grants)	C E S	PRC- Libraries	0010	2017-07-01	2018-06-30	5,263
BEACHES AND POOLS						
Inanda Pool	C E S	Prcc- Beaches	W055	2015-07-01	2020-06-01	7,280
Rachel Finlayson Pool	C E S	Prcc- Beaches	W026	2014-07-01	2019-06-01	2,826
PARKS						
Upgrade of Staff Facilities including depots in PLC (Investigate, Package And Provide)	C E S	PRC- Parks	0010	2015-07-01	2020-06-01	4,710
Development of new Parks (City Wide)	C E S	PRC- Parks	0010	2016-07-01	2019-06-01	30,383
Specialised Parks Equipment	C E S	PRC- Parks	0010	2017-07-01	2018-06-30	6,542
Vulamehlo	C E S	PRC- Parks	0010	2018-07-01	2020-06-30	1,206
Zonal Parks : N1942	C E S	PRC- Parks	0010	2018-07-01	2020-06-30	2,017
SPORTS FACILITIES						
Rural Areas: New Sport Facilities(inchanga,Ntamn	CES	PRC- Sports Facilities	0010	2017-07-01	2019-06-01	1,191
Zonal Plan :	CES	PRC- Sports Facilities	0010	2018-07-01	2020-06-30	5,033
MUSEUMS						
Rivertown Cultural Precinct	CES	Prcc- Museums	W026	2017-07-01	2019-06-01	1,503
NSM City Hall Exhibitions	CES	PRC- Museums	W028	2016-07-01	2018-06-01	1,322
CES - Moses Mabida						
Buildings And Other Structures/Moses Mabida	CES	Moses Mabida	W027	2018-07-01	2020-06-30	2,954
Buildings And Other Structures/Moses Mabida	CES	Moses Mabida	W027	2018-07-01	2020-06-30	3,556

CLINICS						
Savannah Park clinic	C E S	Health	W017	2017-05-15	2018-10-11	5,328

Waterfall Clinic	CES	Health	W009	2017-02-27	2018-05-09	1,724
Marrianridge Clinic	CES	Health	W013	2017-02-27	2018-03-07	3,808
SAFETY & SOCIAL SERVICES						
EMERGENCY CONTROL & DISASTER MANAGEMENT						
CCTV Expansion	C E S	Emergency Control & Disaster Management	0010	2018-07-01	2020-06-30	1,942
Emergency Services Call Centre Equipment And S	C E S	Emergency Control & Disaster Management	0010	2017-11-08	2020-09-30	8,324
FIRE & EMERGENCY SERVICES						
Verulam Fire Station (Permanent Facility)	C E S	Emergency- Fire	W058	2017-10-25	2019-05-02	3,750
Renovations and alterations (Prospecton)	C E S	Emergency- Fire	W090	2017-01-10	2017-10-06	2,572
Renovations and alterations (Brigade HQ)	C E S	Emergency- Fire	W031	2018-07-01	2020-06-30	6,494
Fire Fighting Equipment at Depots	C E S	Emergency- Fire	0010	2018-07-01	2020-06-30	2,778
Specialist Support Vehicles - Fire	C E S	Emergency- Fire	0010	2018-07-01	2020-06-30	6,043
ECONOMIC DEVELOPMENT & PLANNING						
ECONOMIC DEVELOPMENT						
Isipingo phase 3 of public realm upgrades.	Economic Dev	Economic Dev	W089	2018/2019	2019/2020	1,962
Umlazi - Sibusio Mdakane Road Upgrade	Economic Dev	Economic Dev	W076	2018/2019	2020/2021	1,519
Clermont (Land Expropriation of Zazi Street) Zazi Krause Road	Economic Dev	Economic Dev	W019	2016/2017	2017/2018	1,955
Verulam Heritage Centre	Economic Dev	Economic Dev	W058	2015/2016	2017/2018	3,482
Magabheni Government Mall	Economic Dev	Economic Dev	W099	2016/2017	2018/2019	7,197
Umgababa Beach Infrastructure Upgrade	Economic Dev	Economic Dev	W098	2015/2016	2018/2020	5,992
Construction of 66 Pinetown Street Traders Shelters	Economic Dev	Economic Dev	W018	2016/2017	2017/2018	2,112
Construction of an Aquaponics Project (Fish Farm)			W063	2016/2017	2017/2018	1,708
Hammersdale N3 Interchange (SANRAL)	Economic Dev	Economic Dev	W027	2015/2016	2017/2018	16,018
Mid way Crossing	Economic Dev	Economic Dev	W037	2017/2018	2018/2019	1,806
Town centre renewal-Umhlanga	Economic Dev	Economic Dev	W035	2017/2018	2017/2018	7,298
Upgrade of Flanders Drive	Economic Dev	Economic Dev	W102	2017/2018	2017/2018	17,008
Upgrade of Flanders Drive	Economic Dev	Economic Dev	W102	2017/2018	2017/2018	12,262
Rehabilitation to Anstey's Beach	Economic Dev	Economic Dev	W068	2016/2017	2017/2018	3,371
Intermodal Bridge City	Economic Dev	Economic Dev	W046	2017/2018	2017/2018	26,633

NEIGHBOURHOOD DEVELOPMENT						
Umlazi-Auto Hub	Economic Dev	Economic Dev	R005	2016/2017	2018/2019	6,596
Mpumalanga Non Motorised Transport (NMT) - Walkway Sidewalk	Economic Dev	Economic Dev	W091	2016/2017	2018/2019	14,392

DEVELOPMENT & PLANNING						
D'MOSS	Economic Dev	Dev Planning & Man	0010	01/07/2017	30/06/2018	5,536
Reforestation Assets	Economic Dev	Dev Planning & Man	0010	01.02.2013	31.03.2018	1,314
CSA2499: BUFFELSDRAAI	Economic Dev	Dev Planning & Man	R004	02.09.2015	02.09.2018	3,154
DURBAN ENERGY OFFICE						
Renewable Energy Pilot Project	Economic Dev	Durban Energy Office	0010	01/05/2015	31/01/2017	1,031
Energy Efficient Lights	Economic Dev	Durban Energy Office	0010	01/07/2017	30/06/2018	5,480
BUSINESS SUPPORT						
Heavy and Mobile Plant	Economic Dev	Business Support	0010	01/07/2016	30/06/2018	1,088
Portion 278 (of 275) Farm Uitkomst and Doornrug No 852	Economic Dev	Business Support	0010	01/07/2017	30/06/2018	14,800
Purchase of tractors	Economic Dev	Business Support	0010	01/07/2017	30/06/2018	3,333
Informal Traders Goods Strogae	Economic Dev	Business Support	W028	01/07/2017	30/06/2019	1,045
BULK MARKETS						
Development of Distribution Centre	Economic Dev	BULK MARKETS	W032	01/07/2017	30/06/2018	1,201
RETAIL MARKETS						
URBAN RENEWAL						
Agri-park	Economic Dev	Urban Renewal	W032	2017-07-01	2018-06-30	6,042
Point waterfront	Economic dev	Urban Renewal	0010	2017-07-01	2019-06-30	81,618
Cornubia Neighbourhood	Economic dev	Urban Renewal	W102	2017-07-01	2018-10-30	5,642
FINANCE						
Depot Upgrades and Expansions (Mobeni & Western Region)	FINANCE	FINANCE CITY FLEET	0010	2014-07-01	2018-06-30	14,558
Service Delivery Trucks, Vans And Other revised	FINANCE	FINANCE CITY FLEET	0010	2017-07-01	2018-06-30	189,469
Ottawa Workshop	FINANCE	FINANCE CITY FLEET	0010	2014-07-01	2020-06-30	15,547
Vehicle Tracking Sytem	FINANCE	FINANCE CITY FLEET	0010	2017-07-01	2018-06-30	9,000
Springfield Complex - Plant & Vehicle Hub	FINANCE	FINANCE CITY FLEET	0010	2014-07-01	2020-06-30	7,446
Specialised Vehicles for Metro	FINANCE	FINANCE CITY FLEET	0010	2016-07-01	2018-06-30	10,607
FINANCE						

REVENUE						

REAL ESTATES						
INTERNAL CONTROL & BUSINESS SYSTEMS						
Lifts	FINANCE	INTERNAL CONTROL & BUSINESS SYSTEMS	0010	2019-01-31	2019/2020	2,771
SUPPLY CHAIN MANAGEMENT						
SCM Procurement IT System	FINANCE	SUPPLY CHAIN MANAGEMENT	0010	2016-07-01	2019-06-30	4,493
Home Bowser Pumps	FINANCE	SUPPLY CHAIN MANAGEMENT	0010	2015-07-01	2020-06-30	3,070
GOVERNANCE & INTERNATIONAL RELATIONS						
CITY HALL						
Upgrading of Airconditioning	GOVERNANCE & INTERNATIONAL RELATIONS	CITY HALL	28	2017-07-01	2018-06-30	13,145
Ceiling Main Auditorium	GOVERNANCE & INTERNATIONAL RELATIONS	CITY HALL	28	2017-07-01	2018-06-30	1,064
Machinery and Equipment (Security Equipm	GOVERNANCE & INTERNATIONAL RELATIONS	CITY HALL	28	2017-07-01	2018-06-30	1,698
COMMUNITY PARTICIPATION						
Steel Containers - 6 metres (12)	GOVERNANCE & INTERNATIONAL RELATIONS	COMMUNITY PARTICIPATION	18	2018-06-01	2018-06-30	1,250
CORPORATE & HUMAN RESOURCES						
Biometrics	CORPORATE & HUMAN RESOURCES	CORPORATE & HUMAN RESOURCES	0010	2017/2018	2019/2020	2,819
OFFICE OF CITY MANAGER						
INFORMATION TECHNOLOGY						
Radio Comm. Infrast. - Highsite Accom.	OFFICE OF CITY MANAGER	INFORMATION TECHNOLOGY	28	2017-07-01	2020-06-30	2,195
Infrastructure management tools	OFFICE OF CITY MANAGER	INFORMATION TECHNOLOGY	28	2017-07-01	2020-06-30	3,427
Data Warehousing, Business Intelligence & App	OFFICE OF CITY MANAGER	INFORMATION TECHNOLOGY	28	2017-07-01	2020-06-30	5,940

Integration						
It Tools & Firewalls	OFFICE OF CITY MANAGER	INFORMATION TECHNOLOGY	28	2017-07-01	2020-06-30	2,534
Desktop Infra: Upgrades/Equip For New Staff	OFFICE OF CITY MANAGER	INFORMATION TECHNOLOGY	28	2017-07-01	2018-06-30	1,134
Datacente Infra: Servers	OFFICE OF CITY MANAGER	INFORMATION TECHNOLOGY	28	2017-07-01	2020-06-30	24,937
Business Process Management	OFFICE OF CITY MANAGER	INFORMATION TECHNOLOGY	28	2017-07-01	2020-06-30	32,014
Payroll and HR Mis	OFFICE OF CITY MANAGER	INFORMATION TECHNOLOGY	28	2017-07-01	2020-06-30	2,148
Software Licences	OFFICE OF CITY MANAGER	INFORMATION TECHNOLOGY	28	2017-07-01	2020-06-30	13,744

Fibre, Wireless, Monitoring and Wide Area Network	OFFICE OF CITY MANAGER	INFORMATION TECHNOLOGY	28	2017-07-01	2020-06-30	5,970
Fibre and Wide area Network	OFFICE OF CITY MANAGER	INFORMATION TECHNOLOGY	28	2017-07-01	2020-06-30	6,303
Information Technology Computers	OFFICE OF CITY MANAGER	INFORMATION TECHNOLOGY	28	2017-07-01	2018-06-30	8,120
Tetra Radio Terminals	OFFICE OF CITY MANAGER	INFORMATION TECHNOLOGY	28	2017-07-01	2021-06-30	59,108
Major Systems enhancement	OFFICE OF CITY MANAGER	INFORMATION TECHNOLOGY	28	2017-07-01	2020-06-30	14,762
Cognos Software Licences	OFFICE OF CITY MANAGER	INFORMATION TECHNOLOGY	28	2017-07-01	2020-06-30	26,128
Public Wi- Fi	OFFICE OF CITY MANAGER	INFORMATION TECHNOLOGY	28	2017-07-01	2020-06-30	17,954
PERFORMANCE MANAGEMENT						
Building Renovations	OFFICE OF CITY MANAGER	PERFORMANCE MANAGEMENT	28	2017-07-01	2018-06-30	1,692

APPENDIX G

CONSOLIDATED REPORT OF THE AUIT COMMITTEE TO THE COUNCIL OF ETHEKWINI MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2018

1. LEGISLATIVE MANDATE

The Audit Committee is constituted in terms of sections 166(2) and 166 (6) (b) of the Municipal Finance Management Act, No. 56 of 2003 (MFMA) and Section 94 (7) of the Companies Act, No. 71 of 2008, as amended for Municipal Entities (Entities).

The Audit Committee is an independent advisory body which **must** advise the Council of eThekweni Municipality (Council), Accounting Officers, the Board of Directors (Board) for the Entities and the management staff of the eThekweni Municipality (Municipality) and its Entities. It advises on matters relating to:

- Internal Financial Control;
- Internal Audit;
- Risk Management Processes;
- Financial Reporting;
- Performance Management;
- Governance;
- Compliance with Laws and Regulations; and
- Any other issues referred by the Municipality or its Entities.

2. TERMS OF REFERENCE

The Audit Committee has adopted formal terms of reference, *hereafter referred to as the Charter*. The Charter is presented at a formal meeting, deliberated upon and recommended for final approval by Council and the Board. The Audit Committee has executed its duties in accordance with the Charter during the financial year ended 30 June 2018.

3. COMPOSITION AND MEETINGS

The Audit Committee met at least 4 times to deal with matters relating to the financial year. In addition, a meeting was held on 24 August 2018 for the review of the unaudited annual financial statements before they were submitted to the Auditor-General of South Africa (AGSA) for auditing.

The previous Audit Committee members were appointed with effect from 30 May 2015 and new members from June 2018 and also serve as the Audit Committee for the Municipality Owned Entities.

The Secretarial function for the Audit Committee was performed by the Municipality's Secretariat services. The Accounting Officers of the Municipality and its Entities, Chief Financial Officers and relevant Deputy City

Managers together with Senior Management attended Committee meetings by invitation. The City Integrity and Investigations Unit, Enterprise Risk Management Units and External and Internal Auditors have unrestricted access to the Audit Committee. The effectiveness of the Audit Committee as a whole and that of its individual members is assessed on an annual basis.

The schedule of meetings and record of attendance by members is indicated below:

SCHEDULE OF AUDIT COMMITTEE MEETINGS RELATING TO THE FINANCIAL YEAR 1 JULY 2017 to 30 JUNE 2018 AND ATTENDANCE

Members	Qualifications	Appointed	End of Term	AUDIT COMMITTEE MEETINGS CONVENED IN 2017-18			
				Main Audit Committee	Municipal Entities & Performance	Annual Financial Statements (AFS)	Special Meetings
Mrs Londiwe Mthembu (Chairperson)	B.Com, Hons, B.Compt	30/05/2015	29/05/2018	4	5	2	5
Ms Bongekile Zulu	MBA, B.Proc	30/05/2015	28/06/2021	3	3	0	2
Mr Daniel Bosch	B. Compt	30/05/2015	28/06/2021	5	5	3	3
Mr Nala Mhlongo	CA(SA), CGMA, ACMA, B.Com (Hons)	30/05/2015	28/06/2021	3	5	2	1
Mr Themba Radebe	B.Com	30/05/2015	29/05/2018	3	4	1	3
Mrs Phindile Shabalala	MBA, Dip.Acc, B.tech	09/03/2016	29/03/2019	4	4	3	2
Mrs Motlalepula Sebate	MBA, B.Com, Dip. Comp.Audit, F/Nsic Acc. & Fraud	09/03/2016	29/03/2019	2	3	0	1
Mrs Neo Shabalala	B.Sc (Hons), B.Com, CISA	28/06/2018	28/06/2021	N/A	N/A	N/A	N/A
Ms Portia Baloyi	MBA, B.Proc	28/06/2018	28/06/2021	N/A	N/A	N/A	N/A
TOTAL No of Meetings				5	5	3	3

4. STATUTORY DUTIES

In the execution of its statutory duties during the past financial year, the Audit Committee:

- Believes the appointment of the AGSA, complies with the requirements of the MFMA, the Division of Revenue Act of South Africa, 2011 (Act No. 6 of 2011) (DoRA) and Public Audit Act of South Africa, 2004 (Act No. 25 of 2004 (PAA);
-
- Reviewed the annual external audit plan and the budgeted fee to be paid to the AGSA;
- Considered management reports submitted by the Municipality and the Entities to each meeting of the Audit Committee;
- Reviewed the quality, adequacy, accuracy and reliability of financial information;
- Reviewed and discussed the audited Annual Financial Statements with the Auditor-General;
- Responded to any issues raised by Internal Audit and AGSA during the year;
- Reviewed factors impacting on the financial sustainability of both the Municipality and Entities; and
- Made submissions to the Executive Committee (EXCO), the Boards and the Municipal Public Accounts Committee (MPAC), on any matters which in the opinion of the Audit Committee needed to be brought to the attention of the oversight structures, emanating from its quarterly meetings.

5. RISK MANAGEMENT AND GOVERNANCE

The Audit Committee has:

- Received assurance from Enterprise Risk and Advisory, Internal Audit, City Integrity and Investigations Unit (CIU), Performance Management, City Treasury and the AGSA and satisfied itself that the following areas have been appropriately addressed with respect to the Municipality and the Entities:
 - Internal financial controls;
 - Compliance requirements;
 - Financial reporting risks;
 - Fraud risks as it relates to financial reporting;
 - IT Governance risks; and
 - Legal Matters.
- The Audit Committee believes that there is still room for improvement with regard to reliance on the work of Internal Audit by the AGSA and working together to ensure combined assurance received is appropriate to address the significant risks facing the Municipality and its Entities.

5.1 Enterprise Risk Management

The following main activities were undertaken by the Audit Committee during the year:

- Reviewed the quarterly management risk reports which dealt with the followings:
 - Progress on implementation of mitigations for strategic risks;
 - Emerging and materialised risk identified;
 - Other significant changes on the risks profile;
 - Progress on implementation of Business Continuity Programmes;
 - Defalcation Report on consolidated losses incurred by the Municipality;
- Reviewed the report on the Anti-fraud initiatives that are implemented to manage fraud risk;
- Provided oversight on other significant exposure areas

5.2 Recommendations:-

The Audit Committee recommends urgent intervention on:

- The alignment of strategic municipal processes to ensure that the annual development of risk profile takes place during Strategic Planning, and is approved simultaneously with the Budget and Service Delivery and Budget Implementation Plan by EXCO and Council.
- The appointment of the Compliance Officer by the municipality in order to ensure custody on the management of compliance risk and adherence to applicable laws and regulations.
- The demonstration of active risk owner participation at operational levels and ongoing accountability for the management of risks at various risk governance structures.
- The development of risk appetite and tolerance levels is critical in yielding the value add and to drive focus to exposure areas that are outside defined risk acceptable levels for the municipality.
- Define, quantify and implement risk appetite which will be supported by vigorous analysis, expert judgment and consistent with materiality and significance framework.

6. EFFECTIVENESS OF INTERNAL CONTROLS

During its meetings, the Audit Committee has:

- Reviewed the adequacy and effectiveness of the Municipality's system of internal financial control and those of its Entities, including receiving assurance reports from Management, Internal and External Audit, CIU, Legal and Compliance as well as Enterprise Risk and Advisory;
- Reviewed the Municipality's and its Entities' approach on its exposure to the business and financial risks and whether processes are in place to safeguard the assets;
- Reviewed significant issues raised by the Internal and External Auditors;
- Reviewed whether the financial systems can be relied upon in the preparation and presentation of financial statements;

- Reviewed policies and procedures adopted for the prevention and detection of fraud;
- Reviewed significant legal exposures and pending cases;
- Reviewed significant cases of misconduct, fraud or any other unethical activity by employees of the Municipality and of the Entities; and
- Reviewed residual risks arising from Enterprise Risk Management risk registers and controls implemented to mitigate risk.

Based on the processes and assurances obtained, we believe that the internal controls are effective in most areas, significant areas requiring improvements are addressed in the recommendations included in this report.

The Audit Committee remains concerned about the long outstanding unresolved audit findings within the Municipality and has engaged management in this regard.

7. MUNICIPALITY OWNED ENTITIES

Based on the processes and assurances obtained, we believe that the internal financial controls are effective other than the following residual concerns and recommendations:

7.1 Durban International Convention Centre (DICC)

- Although the previous potentially conflicted Directors on the Board have been resolved, the Audit Committee requested the Board to work closely with the Council during the appointment of new Directors to prevent any potential conflict as far as possible.
- The Accounting Officer and the Council must resolve the challenges regarding the accounting policy and valuation of the buildings.
- The Audit Committee is also concerned with the delays in the implementation of the ICT Governance strategy and framework within the Entity.
- The Entity should update the baseline in order for performance to be progressive from one year to another. In addition, the draft Annual Performance Report should be complete, accurate, in the required format and steps taken to improve performance must be clear and credible.
- The outstanding matters regarding the Municipal Standard Chart of Accounts (MSCOA) and JDE functionality should be addressed and a post implementation review should be conducted.

7.2 Durban Marine Theme Park (DMTP)

- The Audit Committee noted the traction in the finalisation of the service level agreement between the Entity and the South African Association for Marine Biological Research (SAAMBR) and re-emphasised the urgent need to review the current heads of agreement to bring them in line with current legislation, strategic and operational requirements of the Entity.
- The Accounting Officer and the Board should finalise and implement the Integrated Master Plan and ICT Governance strategy and framework within the Entity.
- The Accounting Officer should implement adequate measures to prevent irregular expenditure. In this regard the service level agreement with the Council regarding procurement should be finalised as a matter of urgency.
- The outstanding matters regarding the Municipal Standard Chart of Accounts (MSCOA) and JDE functionality should be addressed and a post implementation review should be conducted.
- The Entity should update the baseline in order for performance to be progressive from one year to another. In addition, the draft Annual Performance Report should be complete, accurate, in the required format and steps taken to improve performance must be clear and credible.
- Council to consider provision of capital development grant to modernise, revamp and introduce new exciting entertainment themes to attract more tourists to the theme park as part of the implementation and execution of comprehensive development master plan and financial sustainability strategy framework.
- The level of irregular expenditure deteriorated during the year due to staff changes within the Supply Chain Management Unit but the Audit Committee has been assured by the Management that the controls and the resources are now strengthened.
- Implementation of infrastructure development and maintenance master plan with budget, project action plan including deliverables, timelines and accountable persons as approved by DMTP Board of Directors. The Audit Committee is concerned that DMTP business model is dependent on must see and enjoyment business principle which is solely dependent on modern theme infrastructure development and modernisation.

8. STATUTORY COMPLIANCE

The Audit Committee

- Reviewed the effectiveness of the system for monitoring compliance with laws and regulations at the Municipality and the Entities.
- Has satisfied itself with the policies and processes implemented to provide the required assurance.

- Noted that the Municipality has developed a new Compliance Framework and Organisational Structure to enhance increased compliance and the establishment of a Compliance function within the Municipality and Entities is a welcomed initiative.
- Made relevant recommendations to ensure compliance where appropriate.

9. PERFORMANCE INFORMATION AND EVALUATION

The Audit Committee has reviewed performance information provided by the Municipality and Entities as well as Internal Audit reports at quarterly meetings throughout the year. Whilst the Audit Committee is satisfied with the information provided, it is important that the Key Performance Indicators (KPI's) are comprehensive and relevant to ensure that the Municipality and the Entities are able to effectively measure and monitor the performance of the Municipality and its Entities and to implement measures to improve performance where required.

The alignment of the results from key performance Indicators with what the citizens can attest to as service delivery remains a challenge for the City.

The municipality should comply with Circular 88 requirements and incorporate the Key Performance Indicators as part of their performance process.

9.1 Recommendations

Repeated concern regarding the level of achievement of the organisational predetermined objectives has been expressed by the Audit Committee. The trend analysis reflects “stressed plans” which consistently failed on achievement of KPIs. Management has been requested to investigate the root causes for non- achievement. Proper monitoring and appropriate remedial action is advised.

The Audit Committee also raised concerns with the performance against targets set for service delivery programmes and advises that proactive measures be taken to remedy the situation including monitoring and reporting on the impact of the non-achievement of performance targets on the organisational risk profile.

The Audit Committee also believes that consequence management for non-performance must be instituted as a matter of urgency.

10. EXTERNAL AUDIT (AGSA)

The Audit Committee

- Reviewed the scope of the External Audit to ensure the critical areas within the Municipality and its Entities are covered;
- Reviewed the AGSA's report on issues arising out of the external audit and concurred with the clean audits for the Entities and unqualified with others matters for the Municipality; and
- On a continuous basis, monitored the continued relationship between AGSA and the Municipality and its Entities.

Based on processes followed and assurances received from the AGSA, nothing has come to the attention of the Audit Committee with regards to any matter impacting on the independence of the External Auditors.

11. INTERNAL AUDIT

The Audit Committee has:

- Reviewed and approved the Internal Audit Charter;
- Exercised its statutory duty of oversight over the internal audit function;
- Evaluated the independence, effectiveness and performance of the Internal Audit Unit in the fulfilment of its mandate;
- Satisfied itself that the Internal Audit function has the necessary resources, budget and authority to enable it to discharge its duties;
- Reviewed and approved the Internal Audit Plan; and
- Encouraged co-operation between External and Internal Audit work.

A summary of the salient findings of all internal audits carried out by the unit during the year was reported quarterly. The responses from the Management of the Municipality and its Entities to the internal audit findings were reviewed and where necessary corrective action was recommended and implementation monitored.

As a result of high vacancy rates at senior management level within the internal audit unit, only 91% of the plan could be executed. The key vacancies included the CAE position, a deputy head position and other senior management positions but a significant portion of them has been subsequently resolved.

12. THE QUALITY OF IN YEAR MONITORING, QUATERLY REPORTS SUBMITTED IN TERMS OF TREASURY REGULATIONS AND DIVISION OF REVENUE ACT

The Audit Committee reviewed whether the financial reporting system can be relied upon in the preparation and presentation of financial statements.

The Audit Committee was satisfied with the content and quality of monthly and quarterly reports prepared and submitted by the Accounting Officer to the Audit Committee, Board of Directors and eThekweni Municipality for review, approval and authorisation during the year under review

There is, however, room for improvements with regard to the timeliness of the quarterly reports submitted for meetings. Quarterly Audit Committee meetings are scheduled long after the respective reporting quarter (three months after close of reporting quarter) resulting in quarterly reports being received, reviewed and deliberated on long after the period in discussion. Management has committed to rectify the situation going forward

The Audit Committee was satisfied with the improvement in the quality of the Unaudited Financial Statements for 2017/18 submitted for review during August 2018.

13. KEY RECOMMENDATIONS

- The Audit Committee notes the deterioration of the irregular expenditure, bad publicity in the area of Supply Chain Management and threats targeted at some of the staff members and other relevant parties. In order to effectively combat the above issues, the Audit Committee encourages swift and consistent investigations, consequence management to ensure effective accountability for non-compliance, upholding high ethical culture at all levels, publicly pronounce zero tolerance on irregularity and fraud together with the implementation of the demand management plans, budgeted cash flow, proper document management and contract management throughout the Municipality is essential.
- The Accounting Officer must ensure that management and other relevant parties urgently respond to and implement recommendations from the CIIU. The Disciplinary Board must also ensure adequate processes and procedures for the purposes of effectiveness and expediting the relevant cases referred to it.
- The continuing escalation in the cost of providing a post-retirement medical aid benefit creates a significant obligation on the Municipality which is increasing every year. The Audit Committee has previously recommended a review of the policy.
- The Audit Committee noted the significant progress made with the implementation of the Revenue Management System and the remaining challenges should be monitored and corrective action implemented where

required.

- The remaining challenges with the implementation of the JDE/MSCOA project should be monitored and corrective action should be taken timely.
- Council made a decision to establish a Municipal Entity to manage the bus service within the Municipality. The Audit Committee is concerned about delays in the finalization of the decision on the governance and management model for the envisaged Entity and the impact this has on the economical and effective functioning of the bus service.
- Delays in the implementation of the ICT Governance Strategy and Framework contributed to a segmental ICT Unit as the integration of ICT electricity staff into the Municipality has not taken place. The Audit Committee believes that decisive leadership is required in order to conclude on the matter.
- The Audit Committee noted that progress on implementation of Business Continuity Management remained at 30 per cent and requested management to speed up the process.
- The Accounting Officer must ensure stability in the Legal Unit and a Compliance Officer must be appointed as soon as possible.
- The Accounting Officer should implement a plan and report on progress against such plan showing achievements made on eradicating the bad buildings in the City.
- The Accounting Officer should ensure that all stakeholders continue with diligent efforts to manage and reduce the significant Water and Electricity Losses.
- The Accounting Officer should take adequate steps to ensure that the risk management culture is revived and that risk owners prioritise the management of risks and linked governance structures.

- The Audit Committee still believes that the required capital expenditure and ongoing operating expenditure relating to the Integrated Public Transport Network (IPTN) could have a severe negative impact on the cash flow of the Municipality. This is compounded by ongoing project disruptions and the Audit Committee recommends a thorough review of the project, including cash-flows, effective project management and monitoring during implementation thereof.

14. APPRECIATION

The Audit Committee would like to express its gratitude to the Council, Board of Directors, Accounting Officers, and DCM: Treasury and other DCMs and Heads, Chief Financial Officers of the Entities, Internal Audit Staff and the AGSA for their co-operation and assistance during the year.



Mr AN Mhlongo

Chairperson: eThekweni

Municipality Audit

Committee Date: 14

December 2018

Appendix H: Long Term Contracts and Public Private Partnership

Long Term Contracts (20 Largest Contracts Entered into during Year 2017/18)					
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
<ul style="list-style-type: none"> - Supa quick chatworth - Lionbee investment - Tiro civils and building contractors - Royal vulcanizing station - RM Tyres - Golden empire trading - Jacks tyres - Imbawula tyres and fitment centre - PBLU projects - Fork n tyre cc - Majola trading - Sabris investment holdings - AKS Tyre service - Genuine consulting solution - Tirepoint ibongo - Mashaselondwe trading 	Supply and Delivery of new Tyres	2018-02-15	2021-02-14	Thembinkosi Dlamini	R 128 260 010
<ul style="list-style-type: none"> - Afrisam Pty Ltd - Spring forest 	Supply and delivery of quarry	2017-08-26	2018-08-25	Thobile Mazibuko	R 100 000 000
<ul style="list-style-type: none"> - Mdubane Energy Services (Pty) Ltd 	Supply and delivery of bituminous road cement, heavy furnace oil and an industrial sulphur reducing fuel additive	2017-08-02	2020-07-03	Michael Miller	R 100 075 087
<ul style="list-style-type: none"> - Contour Technologies - Sandulela Technology - Cigicel 	Provision of third party service provider – Electricity prepaid vending solution for ethekwinini municipality	2017-12-01	2020-11-30	Memela David	R 90 000 000
<ul style="list-style-type: none"> - Green outdoor gyms Pty Ltd 	Park equipment playground and outdoor gym	2017-09-01	2020-08-31	Thabsile Ngcobo	R 66 456 300

- Joint Venture Devtech civils cc and Lungelihle Trading	Proposed re-alignment of Inanda arterial between seacow lake and Chris Hani road	2017-08-08	2019-04-05	Samantha Zungu	R 60 900 031.61
- Njomane Technical Services - Zizamele Electrical and General Maintenance - Indlulamithi Construction cc - Sthenhla Investment cc - Biytech cc	Inspection, reporting, disconnection and reconnection of electrical services/ meters in the Ethekezi Electricity's Area of Supply	2017-08-01	2020-07-31	Hlengiwe Mbatha	R 54 000 000
- CE Electrical contracting and engineering Suppliers (Pty) Ltd t/a Electric Suppliers Corporation	Supply, delivery, assembly and inter-wiring of small power Distribution units (SPDU's) and backing boards	2017-07-01	2020-06-20	Falakhe Sithole	R 35 824 200
- Joint Venture Inyameko Trading 702 and Netronix Pty Ltd - CNP Projects (Pty) Ltd	Installation of microfibre and heavy duty duct fibre cable within Ethekezi Municipality	2017-07-01	2019-06-30	Naren Ramchunder	R 35 746 677.73
- Dimension Data (Pty) LTD	Installation & maintenance of the call manager, mobile comman	2017-11-08	2020-11-08	Mervyn Govender	R 34 000 000
- Aurecon Pty Ltd	Professional services contract for the design and construction supervision for the Ntuzuma to Ogunjini steel pipeline , 20ml Reservoir, Pumpstation and Electrical/Mechanical Plant	2017-11-05	2020-11-05	Devashan Govender	R 24 510 000
- Stedone Developments (Pty)Ltd	Construction of civil infrastructure for Sunhills housing Projects	2017-09-01	2019-03-30	Reagan Vadivalu	R 22 910 458.78
- Bosch projects Pty LTD	Design and Replacement of water Elementary Equipment	2017-07-07	2020-07-02	Nischal Nundlall	R 20 142 375
- Lopac tissue cc - Bingelelani Pty Ltd - Mthembu tissue converting Pty Ltd	Supply and delivery of toilet paper	2017-10-01	2020-09-30	Thandeka Ngcobo	R 19 979 300
- Thasisela trading enterprise cc - Sonkem construction projects - Ngqothweni suppliers and construction - Siboniseng construction	Provision of an electrical meter reading services	2018-05-02	2021-04-30	Nyaniso Mlilo	R 18 000 000

<ul style="list-style-type: none"> - Bidvest waltons - Repstar stationery - Jobe and sons Holdings - Style craft office design - Good Vision Trading - WSS Mathetha Trading Enterprize - African stationery - Zumaan trading - VK Distribution - Pops print stationers - Inkanyeziyekusasale afrika - Alert stationery 	Supply & Delivery of general office station books files papers	2017-10-01	2019-09-30	Thandeka Ngcobo	R 18 000 000
- Esri south africa Pty Ltd	Supply & Delivery of an enterprise electrical domain specific GIS solution	2018-03-22	2021-03-21	Vishnu Maistry	R 17 031 919
<ul style="list-style-type: none"> - Tavrda Electric SA (Pty) Ltd - BSA Holding (Pty) Ltd 	Supply, delivery and off-loading of 11kv pole-mounted auto-reclosers and sectionilizers	2017-07-01	2020-06-20	Yasheve Nageshar	R 16 663 803.6
<ul style="list-style-type: none"> - Power process system Pty Ltd - Edge Line Engineering(Pty)Ltd 	Supply, Procurement, delivery, erection, Installation, Testing, commissioning and handing over of protective structure enclosures	2017-10-04	2020-10-03	Nathi Nkwanyana	R 14 000 000
- Naidu consulting Pty Ltd	Provision of design,construction and monitoring of bulk inlet	2017-11-01	2020-11-30	Darryl Davids	R 10 383 690
TH.1					

Public Private Partnerships Entered into during Year 0					
Name and Description of Project	Name of Partner(s)	Initiation Date	Expiry date	Project manager	R' 000 Value 2008/09
There are no public private partnerships entered into during the year					
TH.2					

Appendix I: Municipal Entity/Service Provider Performance Schedule

EThekweni Municipality
Treasury Cluster
Supply Chain Management Unit



14 August 2018

REVIEW OF EXTERNAL SERVICE PROVIDER PERFORMANCE MONITORING BY UNITS WITHIN THE MUNICIPALITY FOR QUARTER 4 OF 2017/2018 FINANCIAL YEAR

1. PURPOSE

The purpose of this report is to present to the Council an analysis of the submitted assessments of Performance Monitoring of external Service Providers forms for quarter 4 of 2017/18. This report highlights the following:

- Summary of received assessments per unit
- Trail of reminders to Units with outstanding assessments
- Overall analysis of performance review
- List of external Service Providers that underperformed - **ANNEXURE 1**
- KPI's not achieved - **ANNEXURE 2**
- Findings/Challenges
- Recommendations

SUMMARY OF RECEIVED ASSESSMENTS PER UNIT

2.

Department	Due for Assessment	Received	Outstanding	Level of Compliance
Human Settlements	59	58	1	98%
Information Management	8	7	1	88%
Urban Renewal	1	1	0	100%
City Fleet	4	4	0	100%
Development Planning	3	3	0	100%
DSW	8	0	8	0%
Engineering	65	65	0	100%
ETA	17	17	0	100%
Finance Pensions	1	1	0	100%

Supply Chain Management	23	23	0	100%
Water and Sanitation	31	31	0	100%
Electricity	75	75	0	100%
City Administration	1	1	0	100%
Internal Control	1	1	0	100%
Security Management	8	8	0	100%
Communications	1	1	0	100%
Totals	306	296	10	97%

2.1 Trail of reminders to Units with outstanding assessments

Unit	1 st Email	1 st Email Reminder	2 nd Email/ Telephonic Reminder
Human Settlements	18/06/2018	18/07/2018 & 31/07/2018	07/08/2018
Information Management	18/06/2018	18/07/2018	03/08/2018
DSW	18/06/2018	18/07/2018	06/08/2018

3. OVERALL ANALYSIS OF PERFORMANCE REVIEW

3.1 Assessment Outcomes

Total No. of Contracts Due for Assessment	Total No. of Assessments Received	Assessment Not received	Assessment Outcomes				Close-out Report Received
			Poor	Accepted	Outstanding	Blanks	
306	296	10	16	237	21	0	22
Percentage		3.27%	5.39%	79.80%	7.09%	0.00%	7.41%

3.2 Achievement of KPIs

Total No. of Contracts Due for Assessment	Total No. of Assessments Received	Assessment Not received	Achievement of KPIs			Close-out Report
			Achieved	Not Achieved	Blank	Received
306	296	10	252	22	0	22
Percentage		3.27%	84.85%	7.43%	0.00%	7.41%

4. FINDINGS/CHALLENGES

Majority of underperforming service providers per unit are as follows:

Unit	Number of Received Assessment	Poor Assessments in numeric format	Poor Assessments in Percentage format	Comments
Human Settlements	58	7	12%	None
Engineering	65	8	12.3%	None
Water & Sanitation	31	1	3%	None

- Quality of assessment forms received i.e. some forms are not signed by both the reporting officer and external Service Providers.
- Barleda 232 has 3 active contracts under Engineering Unit and is currently underperforming in all 3 contracts.
- Assessment forms submitted after deadline are not included on this report.

5. RECOMMENDATIONS

- Service Providers must be notified of assessments.
- Business Support Unit to intervene where there is an area of concern in terms of contracts failing to meet service level agreements.


SNR MANAGER: PERFORMANCE & RISK
DATE: 15-08-2018


HEAD: SUPPLY CHAIN MANAGEMENT
DATE: 15-08-2018

Appendix J: Disclosure of Financial Interest

Period 1 July 2016 to 30 June 2017		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor	Z R T Gumede	<ol style="list-style-type: none"> Shares and Financial Interests: N/A Directorships and Partnerships: N/A Land & Property: Residential Property Pension: Municipal Councillors Pension Fund
Members of Exco	F Peer	<ol style="list-style-type: none"> Shares and other financial interests: Exxaro 132, Khumba 132, ACC Mittal 145 and Telkom 235 Directorship and Partnership: N/A Pension: Municipal Councillors Pension Fund Land & Property: Westwood Estate
	W L Mapena	<ol style="list-style-type: none"> Shares and other financial interests: 1000 MTN Zakhele Futhi Directorship and Partnership: Resigned in 2016 from Induli Land & Property: N/A Pension: Municipal Councillors Pension Fund
	N N Nyanisa	<ol style="list-style-type: none"> Shares and other financial interests: N/A Directorship and Partnership: N/A Pension: Municipal Councillors Pension Fund Land and Property: 954 New Germany
	Z R Sokhabase	<ol style="list-style-type: none"> Shares and Financial Interests: N/A Directorship and Partnership: N/A Pension: Municipal Councillors Pension Fund Land & Property: N/A
	M M Mondli	<ol style="list-style-type: none"> Shares and other financial interests: N/A Directorship and Partnerships: N/A Land and Property: House Pension: Municipal Councillors Pension Fund
	B A Fortein	<ol style="list-style-type: none"> Shares and Financial Interests: N/A Directorship and Partnership: N/A Pension: Municipal Councillors Pension Fund Land & Property: N/A
	S A Kaunda	<ol style="list-style-type: none"> Shares and Financial Interests: N/A Directorship and Partnership: N/A Pension: Municipal Councillors Pension Fund Land & Property: N/A

Period 1 July 2016 to 30 June 2017

Position	Name	Description of Financial interests* (Nil / Or details)
	N L Graham	<ol style="list-style-type: none"> 1. Shares and other financial interests: N/A 2. Directorship and Partnership: N/A 3. Land: 6 Ravelston, 154 Manning Road 4. Pension: Liberty Lifestyle Retirement Annuity
	H U de Boer	<ol style="list-style-type: none"> 1. Shares and other financial interests: N/A 2. Directorship and Partnership: North Coast Investigations (Pty) Ltd 3. Land and Property: Smallholding Ashburton 4. Pension: Municipal Councillors Pension Fund
	T M Mthethwa	<ol style="list-style-type: none"> 1. Shares and other financial interests: N/A 2. Directorship and Partnerships: N/A 3. Land and Property: N/A 4. Pension: N/A
	M S Nkozi	<ol style="list-style-type: none"> 1. Shares and Financial Interests: N/A 2. Directorship and Partnership: N/A 3. Pension: Municipal Councillors Pension Fund 4. Land and Property: N/A
(Executive) Mayor	JS Nxumalo	<ol style="list-style-type: none"> 1. Pension: Municipal Councillors Pension Fund 2. Shares and Financial Interests: Busise Co op (20%), Vsizo Developers (33.3%) 3. Land & Property: House Ashley Pinetown (R1,1 million – R10 000,00 monthly income), House Inchanga (R1,3 million – home), Land Crestholme (R450 000)
Members of Exco	NF Shabalala	<ol style="list-style-type: none"> 1. Pension: Municipal Councillors Pension Fund 2. Land & Property: Westville
	L Naidoo	<ol style="list-style-type: none"> 1. Directorship & Partnership in La Mercy Beach Hotel, Chelmsford Hotel, Fairbreeze Hotel (Hotels and Liquor stores). 2. Consultancies & Retainership: Jeevie Pillay (wife) private social worker 3. Land & Property: 9 Malcolm Welf are Circle, Westbrook Beach (1.4mil) Residential home. 4. Pension: KZN Municipal Pension Fund
	S Z Xulu	<ol style="list-style-type: none"> 5. Pension: Municipal Councillors Pension Fund 6. Land & Property: House in Umgababa and Land in Danganya 7. Shares& Financial Interests: Igagasi Foundation (100%) and Inkasa Primary Co-Opt (30%)

Period 1 July 2016 to 30 June 2017

Position	Name	Description of Financial interests* (Nil / Or details)
	F Peer	<ol style="list-style-type: none"> Shares: Telkom (100), Kumba (100), Al Baraka (20326.97 units), Oasis Crescent Fund (34925.79) and Mittal Steel (100) (on 2006 disclosure only, not appearing on the 2011/2012 forms) Directorship & Partnership: Minara Board Member-Business Chamber. Pension: Municipal Councillors Pension Fund Land & Property: Family home in Westville (Family Trust)
	Z R T Gumede	<ol style="list-style-type: none"> Property: Phoenix and Amaoti Pension: Municipal Councillors Pension Fund Close Family members' business interest with Municipality: Izhlelo Training Enterprise and Ntsikohs Training Enterprise
	S N Gumede	<ol style="list-style-type: none"> Pension: Municipal Councillors Pension Fund Property: Westville
	J N Cele	<ol style="list-style-type: none"> Directorships and Partnerships in Imqanawe Yama Khosikazi Impande Pension: Municipal Councillors Pension Fund
	Z M Mncwango	<ol style="list-style-type: none"> Directorship and Partnership: Igwababa Guest Lodge, Sizwe Entertainment and Events, Ngqondo Convenient Centre, Ngqondo Electrical and Plumbing Solutions Sazwa Advance Driving School Land: Leased land from Ingonyama Trust (Nongoma) Remunerated work outside the Municipality: Electricity at Conlog (R120 000 amount of annual remuneration or income)
	H U de Boer	<ol style="list-style-type: none"> Land and Property: Smallholding in PMB Remunerated work outside the Municipality: Part-time Lecturer at Durban University Technology (±R10 000 amount of annual remuneration or income)
	B.R.Mtshali	<ol style="list-style-type: none"> Land & Property: Private house in Sea Cow Lake (R850 000) Close family members' business interest with the Municipality: R B Mtshali Wenzile Training, Cleaning Services R70 000, R106 000
	M S Nkozi	Nil
Municipal Manager	Sibusiso Sithole	<ol style="list-style-type: none"> Land & Property: Sectional Title Unit 38, Scheme no 69, SS Cressington (R 360,000), Sectional Title Unit 30, Scheme 386, SS Tiloch (260,000), Erf 505, Umlazi, (R440, 000), Erf 35, Montessel (R 1,340,000), Erf 1315, La Lucia, Ext 8 (R 472,500) & Sectional Title Unit 116, Scheme 758, SS Villa D'Algarve (R 899,000).

Period 1 July 2016 to 30 June 2017

Position	Name	Description of Financial interests* (Nil / Or details)
		2. Private Business: National Education Co-Ordinating Committee (Not in operation), Xhuma Development Solutions Cc (Final Deregistration), Future Bound Holdings (Pty) Ltd (Final Deregistration), Ikusasaletu Farming Venture Cc (Final Deregistration), Imilolozelo Logistic cc (Final Deregistration), Reflection Strategy Leadership And Governance Services Cc (Not operational)
Deputy Municipal Manager - Chief Financial Officer	Krish Kumar	1. Shares: Old Mutual (1300), Sanlam (460), Sasol (100), Vodacom (100) 2. Land & Property: 133 Siripat Road, Reservoir Hills (Residential) (Value R1200 000) Section 9 of 213 Kempton Park (Value R600 000)(Previous Financial year income +- R40 000) 3. Directorship: Commissioner of FFC IMFO Board
Deputy Municipal Manager - Governance	Sipho Cele	1. Land & Property: 43 Chearsley Rd. Westville (R1900 000), 285 Hamilton Str. Pretoria (R300 000)
Deputy Municipal Manager – Community and Emergency Services	Musa Gumede	1. Shares: Yakhisizwe Investment Ltd (+/-5%), (R500 000) 2. Land & Property: 24 Kelvin Place, Dbn North (+/-2000 SqM) (R2700 000), 4 Collingham, Umbilo (75 SqM) (R350 000) 3. Directorship Yakhisizwe Investments (Income +/- R10 000)
Deputy Municipal Manager – Corporate & HR	Dumisile Nene	1. Land and Property: House-Darnall (1858SqM) (Value R826 000) (Income R51 096), Flat-NRB (90.80SqM) (Value R380 000) (Income R28 627-20), Flat- Shaka's rock (90.80SqM)(Value R900 000) 2. Consultancy: Dumiswa Consult. HR & other consulting activities 3. Directorship: Enterprise Ilembe , economic development Agency (Income R 53419.78)
Deputy Municipal Manager –	Philemon Mashoko	1. Shares: Trust Investments (328,000) Allan Gray 2. Land & Property:

Period 1 July 2016 to 30 June 2017		
Position	Name	Description of Financial interests* (Nil / Or details)
Trading Services		<p>108 Elved Wright, Hayfields, Pietermaritzburg (1000SqM) (Value R1.9m) (Income R96 000)</p> <p>22 Seeking Drive, Hilton, Pietermaritzburg (2000 SqM) (Value R1.8m) (Income R108 000)</p> <p>40 Isola Di PALME, Sunward Park, Boksburg, Ekuruleni, (650 SqM) (Value R3.2m)</p> <p>65 Falcon Road, Harare (2000SqM) (Value R1.2m)</p> <p>3 Evelyn Close, Harare, (2000SqM) (Value R 0.8m)</p> <p>Century City, Cape Town (80SqM) (Value 2.0m)</p> <p>3. Directorship: Kura Consultants (Nil - Dormant and non-operational)</p>
Period 1 July 2017 to June 30 June 2018 (S57)		
Position	Name	Description of Financial interests* (Nil / Or details)
Municipal Manager	Sipho Nzuza	<p>3. Land & Property: 14 Balmoral road Cape Town, Square metres:1200m², Value:R4000 000</p> <p>4. Private Business: RSA Investments, Nature of business: Investments</p>
Deputy Municipal Manager - Chief Financial Officer	Krish Kumar	<p>4. Shares: Old Mutual (1300), Sanlam (460), Sasol (100), Vodacom (100)</p> <p>5. Land & Property: 133 Siripat Road, Reservoir Hills Residential, Value: R1200 000 Section 9 of 213 Kempton Park, Value: R600 000m Previous Financial year income: +- R40 000</p> <p>6. Directorship: CIGFARO President Commissioner of FCC C40 Board Members</p>
Deputy Municipal Manager - Governance	Sipho Cele	<p>2. Land & Property: 43 Cheersley Rd. Westville (R1900 000), 286 Hamilton Str. Pretoria (R300 000)</p> <p>3. Other Remunerated work Outside Municipality: IEC, Nature of Business: Municipal Electoral Officer, Amount of annual income:R12 000</p>
Deputy Municipal Manager – Community	Musa Gumede	<p>4. Shares: Yakhisizwe Investment Ltd (+/-5%), (R500 000)</p> <p>5. Land & Property: 24 Kelvin Place, Dbn North (+/-2000 SqM) (R2700 000), 4 Collingham, Umbilo (75 SqM) (R350 000)</p>

Period 1 July 2016 to 30 June 2017

Position	Name	Description of Financial interests* (Nil / Or details)
and Emergency Services		6. Directorship Yakhisizwe Investments (Income +/- R10 000)
Deputy Municipal Manager – Corporate & HR	Dumisile Nene	<p>4. Land and Property: House-Darnall (1858SqM) (Value R826 000) (Income R51 096), Flat-NRB (90.80SqM) (Value R380 000) (Income R28 627-20), Flat- Shaka's rock (90.80SqM)(Value R900 000)</p> <p>5. Consultancy: Dumiswa Consult. HR & other consulting activities</p> <p>6. Directorship: Enterprise Ilembe , economic development Agency (Income R 53419.78)</p>
Deputy Municipal Manager – Trading Services	Philemon Mashoko	<p>4. Shares: Number of shares:500, Nature: Restaurant, value:500, Palm nuts African Cuisine</p> <p>5. Land & Property: 108 Elved Wright, Hayfields, Pietermaritzburg (1000SqM) (Value R1.9m) (Income R96 000) 22 Seeking Drive, Hilton, Pietermaritzburg (2000 SqM) (Value R1.8m) (Income R108 000) 40 Isola Di PALME, Sunward Park, Boksburg, Ekuruleni, (650 SqM) (Value R3.2m) 65 Falcon Road, Harare (2000SqM) (Value R1.2m) 3 Evelyn Close, Harare, (2000SqM) (Value R 0.8m) Century City, Cape Town (80Sqm) (Value 2.0m)</p> <p>6. Directorship: Kura Consultants (Nil - Dormant and non-operational) Palm Nuts African Cuisine restaurant</p>
Deputy Municipal Manager – Economic Development and Planning	Phillip Sithole	<p>1. Land and Property: Residential flat, Bluff, value: R600 000</p>
Deputy Municipal Manager – Human Settlements, Engineering	Beryl Mphakathi	<p>1. Land and Property: 33 Nzinga drive, Waterfall,+/- R1200 000 Cydarvel, R55 000 Highlands farm, Currys post, +-R1800 000</p>

Period 1 July 2016 to 30 June 2017

Position	Name	Description of Financial interests* (Nil / Or details)
and Transport		

Appendix K – Revenue Collection Performance

Appendix K (i) – Revenue Collection Performance by Vote

Revenue Collection Performance by Vote						APPENDIX
K(i)						
	R' 000					
Vote Description	2016/2017	2017/2018			2017/2018 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1 - Office of the City Manager	69 963	278 740	26 691	16 047	-94%	-40%
Vote 2 - City Manager's Operations	418 376	158 042	90 148	472 774	199%	424%
Vote 3 - Finance	11 911 415	11 355 583	11 225 645	11 954 371	5%	6%
Vote 4 - Office of the Strategic Management	3 421	2 655	2 655	710	-73%	-73%
Vote 5 - Governance	52 408	3 075	69 867	70 275	2185%	1%
Vote 6 - Corporate and Human Resources	91 811	15 107	17 234	12 770	-15%	-26%
Vote 7 - Economic development and planning	228 090	299 661	272 166	341 768	14%	26%
Vote 8 - Community and emergency services	311 792	454 218	458 407	470 221	4%	3%
Vote 9 - Human settlements and infrastructure	1 147 046	2 865 329	2 073 243	1 789 420	-38%	-14%
Vote 10 - Trading Services	18 746 035	21 234 414	21 247 857	20 231 394	-5%	-5%
Vote 11 - Chief Albert Luthuli International Centre	150 484	233 535	205 365	134 584	-42%	-34%
Vote 12 - Ushaka Marine World	264 438	291 332	287 103	205 516	-29%	-28%
Total Revenue by Vote	33 395 279	37 191 691	35 976 381	35 699 849	-4%	-1%

Appendix K (ii) – Revenue Collection Performance by Source

Revenue Collection Performance by Source (ii)					APPENDIX K	
	R' 000					
Description	2016/17	Current Year 2017/18			2017/18 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	6 551 275	6 907 500	7 101 042	7 673 349	11%	8%
Property rates - penalties & collection charges	141 525	-	-	149 141	100%	100%
Service Charges - electricity revenue	12 033 470	12 787 852	12 533 440	12 226 261	-4%	-2%
Service Charges - water revenue	3 066 369	3 825 905	3 819 819	3 337 148	-13%	-13%
Service Charges - sanitation revenue	736 116	890 037	959 746	933 247	5%	-3%
Service Charges - refuse revenue	558 976	624 509	667 374	654 434	5%	-2%
Service Charges - other	36 966	136 797	-	29 047	-79%	100%
Rentals of facilities and equipment	578 729	486 015	815 317	760 041	56%	-7%
Interest earned - external investments	664 334	1 296 055	592 802	598 038	-54%	1%
Interest earned - outstanding debtors	135 433	287 332	332 830	306 623	7%	-8%
Fines	389 387	61 300	61 567	435 931	611%	608%
Licences and permits	47 340	38 189	38 189	48 868	28%	28%
Agency services	10 937	11 185	11 185	11 785	5%	5%
Transfers recognised - operational	2 716 460	3 087 889	5 380 148	5 333 730	73%	-1%
Other revenue	2 758 236	2 903 333	655 741	561 751	-81%	-14%
Gains on disposal of PPE	1 693	40 769	40 768	-	-100%	-100%
Total Revenue (excluding capital transfers and contributions)	30 427 240	33 384 655	33 009 968	33 059 394	-1%	0%

Appendix L – Conditional Grants Received Excluding Municipal Infrastructure Grants

Conditional Grants: excluding MIG						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Neighbourhood Development Partnership Grant	50 000	50 000	21 824	-56%	-56%	Approval by the National Treasury of programme and/or project business plans which are in alignment to the NDPG's goals. *The receiving officer must submit a milestone payment schedule with budgets and time frames for project implementation. * Obtain a council resolution striving to achieve measurable outputs
PUBLIC Transport Network Grant (PTIF / PTCG)	917 150	917 150	610 567	-33%	-33%	The current PTIS grant funds municipal public transport infrastructure and systems in support of integrated networks as defined in the Public Transport Strategy and provided for in the National Land Transport Act. * The allocation of PTIS funds must be aligned with the Integrated Transport Plan and its Integrated Rapid Public Transport Network (IRPTN) components as approved by the relevant municipal council. * Cities are required to establish dedicated project teams with sufficient capacity to implement IRPTN projects. * IRPTN designs must recover all direct operating costs of the contracted operators (excluding vehicle capital costs) from fare revenue. * Cities are required to establish specialist capacity to manage and monitor IRPTN system contracts and operations as well as to plan future expansions of the network and this must be in place in advance of the first IRPTN operator commencing with service provision to the public.
Expanded Public Works Programme Incentive	66 792	66 792	66 792	0%	0%	Municipalities must sign a standard incentive agreement with national Department of Public Works (NDPW) to agree to comply with the conditions and obligations of the grant. * Municipalities must report progress on all projects for which they are claiming the incentive via NDPW's EPWP Management Information System (MIS). This includes reporting beneficiary information. * Municipalities must maintain beneficiary and pay roll records as specified in the audit requirements in the EPWP Incentive manual. * Eligible municipalities must use the EPWP incentive grant received for continuing or expanding job creation programmes
Integrated National Electrification Programme (Municipal Grant)	35 000	35 000	35 000	0%	0%	Municipality must contractually undertake to account for the allocated funds on a monthly basis by the 10th of every month, ensure that the designs for households' connections projects are completed before June of every year in order to allow for construction to start shortly after July. And if the external consultant will be used, such consultant must be appointed before the end of May, pass all benefits to end - customers', not utilise the fund for any purpose other than electrification.
Electricity Demand Side Management Grant	15 000	15 000	14 153	-6%	-6%	Implementation of labour intensive methods in accordance with EPWP guidelines on EDSM projects. * Measurements and verification (M&V) system to be done by M&V experts in line with Electricity Demand Side Management policy.
Integrated City Development Grant	39 111	39 111	39 111	0%	0%	The grant is used to provide financial incentive for metropolitan municipalities to integrate and focus their use of available infrastructure investment and regulatory instruments to achieve a more compact urban spatial form.
Total						

* This includes Neighbourhood Development Partnership Grant, Public Transport Network Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the original/adjustments budget.

Where the Budget is Nil against the Actual, the Actual was funded by a Roll-over from the previous year

APPENDIX M - New and upgrade/renewal programmes including Municipal Infrastructure Grants

APPENDIX M (i) – Capital Expenditure – New Assets Programme & M (ii) – Capital Expenditure – upgrade/renewal programme

Capital Expenditure - New Assets Programme*					APPENDIX M (i)		R '000
Description	2016/17	2017/18			Planned Capital Expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	
Capital expenditure by Asset Class							
Infrastructure - Total	1 007 307	3 179 941	2 140 461	1 678 812	2 776 887	3 111 742	
Infrastructure: Road transport - Total	130 672	187 084	776 613	642 542	199 533	276 654	
Roads, Pavements & Bridges	19 902	137 084	746 557	538 094	149 533	226 654	
Storm water	110 770	50 000	30 056	104 448	50 000	50 000	
Infrastructure: Electricity - Total	264 908	613 126	625 583	376 748	552 911	561 904	
Transmission & Reticulation	264 908	613 126	622 469	373 634	552 911	561 904	
Street Lighting	908	126	3 114	3 114	911	904	
Infrastructure: Water - Total	384 351	589 605	477 763	371 685	623 329	665 353	
Dams & Reservoirs		589 605	477 689	371 611	623 329	665 353	
Reticulation	384 351	605	74	74	329	353	
Infrastructure: Sanitation - Total	150 856	455 854	238 459	273 133	397 257	406 216	
Reticulation		110 880	187 505	35 570	108 193	153 746	
Sewerage purification	150 856	344 974	50 954	237 563	289 064	252 470	
Infrastructure: Other - Total	76 519	1 334 272	22 043	14 704	1 003 857	1 201 615	
Waste Management	59	43 000	722	722	43 000	53 000	
Transportation	20 786	67 497	14 711	11 000	51 888	64 614	
Other	55 674	1 223 775	6 610	2 982	908 969	1 084 001	
Community - Total	52 176	254 643	297 358	150 744	467 840	282 325	
Parks & gardens	821	46 695	173 979	44 264	43 336	76 350	
Sports fields & stadia	8 879	35 264	27 750	27 750	10 620	5 397	
Swimming pools	7 912	44 900	1 000	14 272	–	–	
Community halls	-	4 730	23 497	167	16 768	668	
Libraries	2 024	35 512	22 448	21 293	331 400	48 154	
Fire, safety & emergency	21 689	31 806	12 938	14 458	28 800	39 344	
Security and policing	1 836	270	767	767	–	17 460	
Clinics	2 078	322	14	14	1 331	6 248	
Museums & Art Galleries	5 244	4 973	22 646	24	5 405	5 400	
Cemeteries	1 693	4 806	2 129	32	5 850	50 854	
Other	-	45 365	10 191	27 703	24 330	32 450	

Capital Expenditure - New Assets Programme*						
R '000						
Description	2016/17	2017/18			Planned Capital Expenditure	
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2
Capital expenditure by Asset Class						
Heritage assets - Total	-	-	4 544	5	-	-
Buildings	-	-	-	-	-	-
Other	-	-	4 544	5	-	-
Investment properties - Total	-	-	-	-	-	-
Housing development						
Other						
Other assets	584 654	535 710	1 133 860	896 936	455 821	613 966
General vehicles	96 577	230 989	408 211	347 291	187 850	173 617
Specialised vehicles	87 262					
Plant & equipment	48 140	76 001	212 092	152 359	78 210	196 328
Computers - hardware/equipment	41 960	103 422	106 698	220 937	72 821	135 765
Furniture and other office equipment	73 067	102 182	88 337	33 625	92 455	69 556
Markets						
Civic Land and Buildings	67 315	22 918	283 993	108 195	24 485	38 700
Other Buildings	559	-	-	-	-	-
Other Land	89 697	-	-	-	-	-
Other	80 077	198	34 529	34 529	-	-

Agricultural assets	–	–	–	–	–	–
<i>List sub-class</i>						
Biological assets	–	–	–	–	–	–
<i>List sub-class</i>						
Intangibles	19 430	52 785	67 559	89 432	44 405	63 767
Computers - software & programming	19 430	52 785	67 559	89 432	44 405	63 767
Other (<i>list sub-class</i>)						
Total Capital Expenditure on new assets	1 663 566	4 023 079	3 643 781	2 820 468	3 744 953	4 071 800
Specialised vehicles	87 262	–	–	–	–	–
Refuse	26 020	–	–	–	–	–
Fire	5 354	–	–	–	–	–
Conservancy	55 888	–	–	–	–	–
Ambulances	–	–	–	–	–	–
* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)						
T M.1						
Capital Expenditure - Upgrade/Renewal Programme*				APPENDIX M(ii)		
				R '000		
Description	2016/17	2017/18			Planned Capital Expenditure	
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2
Capital expenditure by Asset Class						
Infrastructure - Total	3 318 373	2 640 016	2 102 849	1 672 790	2 851 514	3 074 424
Infrastructure: Road transport -Total	741 773	1 015 467	1 430 411	1 182 884	1 168 561	1 135 173
Roads, Pavements & Bridges	629 123	865 629	1 130 578	1 036 152	865 429	832 389
Storm water	112 649	149 838	299 833	146 732	303 132	302 785
Infrastructure: Electricity - Total	393 270	130 775	139 359	308 333	198 463	243 360
Transmission & Reticulation	391 839	130	139	308 333	198	243
Street Lighting	1 431	775	359	-	463	360
Infrastructure: Water - Total	194 223	115 755	109 123	101 299	99 934	93 550
Dams & Reservoirs		115	109	3 797	99 934	93 550
Reticulation	194 223	755	123	97 502		
Infrastructure: Sanitation - Total	566 853	142 791	320 883	11 183	224 400	266 818
Sewerage purification	566 853	142 791	320 883	11 183	224 400	266 818
Infrastructure: Other - Total	1 422 254	1 235 229	103 072	69 091	1 160 157	1 335 523
Waste Management	20 009	37 974	34 072	16 077	48 390	67 050
Transportation	986 267	1 131 655	–	–	1 031 167	1 184 873
Gas	2 878	–	–	-	–	–

<i>Other</i>	413 101	65 600	69 000	53 014	80 600	83 600
<u>Community</u>	131 121	420 457	192 142	98 120	500 528	462 314
Parks & gardens	63 396	32 517	2 232	20 182	15 800	12 870
Sports fields & stadia	16 679	64 059	52 554	12 264	104 230	88 885
Swimming pools	1 672	4 834	8 034	-	13 050	2 700
Community halls	10 368	35 304	0	4 902	37 746	44 730
Libraries	15 447	44 006	6 836	11 765	22 188	12 200
Fire, safety & emergency	3 563	44 340	5 687	13 809	47 600	38 700
Clinics	4 274	14 846	17 424	11 415	24 882	28 710
Museums & Art Galleries	14 318	46 548	24 321	6 502	91 990	61 400
Cemeteries	1 404	33 705	74 260	10 008	21 060	34 650
Other	-	100 298	300	7 273	120 363	119 019
<u>Heritage assets</u>	-	17 000	3 616	3 616	4 000	-
Buildings						
Other	-	17 000	3 616	3 616	4 000	-

Table continued next page

Table continued from previous page

Capital Expenditure - Upgrade/Renewal Programme*				R '000
Description	2016/17	2017/18	Planned Capital Expenditure	

	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2
Capital expenditure by Asset Class						
<u>Investment properties</u>	-	-	-	-	-	-
Housing development						
Other						
<u>Other assets</u>	275 002	204 915	314 430	169 801	110 161	119 510
General vehicles	-	-	82 922	42 922		
Plant & equipment	17 581	-	62 061	62 051	3 600	9 311
Markets	-	-	-	-	-	-
Civic Land and Buildings	46	-	-	-	-	-
Other Buildings	30 248	204 915	163 713	64 029	106 561	110 200
Other	227 127					
<u>Agricultural assets</u>	-	-	-	-	-	-
<i>List sub-class</i>						
<u>Biological assets</u>	-	-	2 012	2 012	-	-
<i>List sub-class</i>	-	-	2 012	2 012	-	-
<u>Intangibles</u>	45 998	34 616	305 314	24 352	13 889	22 275
Computers - software & programming	45 998	34 616	305 314	24 352	13 889	22 275
Other (<i>list sub-class</i>)	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	3 770 494	3 317 004	2 920 364	1 970 691	3 480 092	3 678 524
Total Capital Expenditure on New and renewal of existing assets	5 434,061	7 340 083,795	6 564 145	4 791,159	7 225 045,168	7 750 323,834
<u>Specialised vehicles</u>	-	-	-	-	-	-
Refuse	-	-	-	-	-	-
Fire	-	-	-	-	-	-
Conservancy	-	-	-	-	-	-
Ambulances	-	-	-	-	-	-

Capital Expenditure - New Assets Programme* APPENDIX M (i) R '000						
Description	2016/17	2017/18			Planned Capital Expenditure	
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2
Capital expenditure by Asset Class						
Infrastructure - Total	1 007 307	3 179 941	2 140 461	1 678 812	2 776 887	3 111 742
Infrastructure: Road transport - Total	130 672	187 084	776 613	642 542	199 533	276 654
Roads, Pavements & Bridges	19 902	137 084	746 557	538 094	149 533	226 654
Storm water	110 770	50 000	30 056	104 448	50 000	50 000
Infrastructure: Electricity - Total	264 908	613 126	625 583	376 748	552 911	561 904
Transmission & Reticulation	264	613	622 469	373 634	552	561
Street Lighting	908	126	3 114	3 114	911	904
Infrastructure: Water - Total	384 351	589 605	477 763	371 685	623 329	665 353
Dams & Reservoirs		589	477 689	371 611	623	665
Reticulation	384 351	605	74	74	329	353
Infrastructure: Sanitation - Total	150 856	455 854	238 459	273 133	397 257	406 216
Reticulation		110 880	187 505	35 570	108 193	153 746
Sewerage purification	150 856	344 974	50 954	237 563	289 064	252 470
Infrastructure: Other - Total	76 519	1 334 272	22 043	14 704	1 003 857	1 201 615
Waste Management	59	43 000	722	722	43 000	53 000
Transportation	20 786	67 497	14 711	11 000	51 888	64 614
Other	55 674	1 223 775	6 610	2 982	908 969	1 084 001
Community - Total	52 176	254 643	297 358	150 744	467 840	282 325
Parks & gardens	821	46 695	173 979	44 264	43 336	76 350
Sports fields & stadia	8 879	35 264	27 750	27 750	10 620	5 397
Swimming pools	7 912	44 900	1 000	14 272	-	-
Community halls	-	4 730	23 497	167	16 768	668
Libraries	2 024	35 512	22 448	21 293	331 400	48 154
Fire, safety & emergency	21 689	31 806	12 938	14 458	28 800	39 344
Security and policing	1 836	270	767	767	-	17 460
Clinics	2 078	322	14	14	1 331	6 248
Museums & Art Galleries	5 244	4 973	22 646	24	5 405	5 400
Cemeteries	1 693	4 806	2 129	32	5 850	50 854
Other	-	45 365	10 191	27 703	24 330	32 450
Capital Expenditure - New Assets Programme* R '000						
Description	2016/17	2017/18			Planned Capital Expenditure	

	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2
Capital expenditure by Asset Class						
Heritage assets - Total	-	-	4 544	5	-	-
Buildings	-	-	-	-	-	-
Other	-	-	4 544	5	-	-
Investment properties - Total	-	-	-	-	-	-
Housing development						
Other						
Other assets	584 654	535 710	1 133 860	896 936	455 821	613 966
General vehicles	96 577	230 989	408 211	347 291	187 850	173 617
Specialised vehicles	87 262					
Plant & equipment	48 140	76 001	212 092	152 359	78 210	196 328
Computers - hardware/equipment	41 960	103 422	106 698	220 937	72 821	135 765
Furniture and other office equipment	73 067	102 182	88 337	33 625	92 455	69 556
Markets						
Civic Land and Buildings	67 315	22 918	283 993	108 195	24 485	38 700
Other Buildings	559	-	-	-	-	-
Other Land	89 697	-	-	-	-	-
Other	80 077	198	34 529	34 529	-	-

Agricultural assets	–	–	–	–	–	–
<i>List sub-class</i>						
Biological assets	–	–	–	–	–	–
<i>List sub-class</i>						
Intangibles	19 430	52 785	67 559	89 432	44 405	63 767
Computers - software & programming	19 430	52 785	67 559	89 432	44 405	63 767
Other (<i>list sub-class</i>)						
Total Capital Expenditure on new assets	1 663 566	4 023 079	3 643 781	2 820 468	3 744 953	4 071 800
Specialised vehicles	87 262	–	–	–	–	–
Refuse	26 020	–	–	–	–	–
Fire	5 354	–	–	–	–	–
Conservancy	55 888	–	–	–	–	–
Ambulances	–	–	–	–	–	–
* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)						
T M.1						
Capital Expenditure - Upgrade/Renewal Programme*				APPENDIX M(ii)		
				R '000		
Description	2016/17	2017/18			Planned Capital Expenditure	
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2
Capital expenditure by Asset Class						
Infrastructure - Total	3 318 373	2 640 016	2 102 849	1 672 790	2 851 514	3 074 424
Infrastructure: Road transport -Total	741 773	1 015 467	1 430 411	1 182 884	1 168 561	1 135 173
Roads, Pavements & Bridges	629 123	865 629	1 130 578	1 036 152	865 429	832 389
Storm water	112 649	149 838	299 833	146 732	303 132	302 785
Infrastructure: Electricity - Total	393 270	130 775	139 359	308 333	198 463	243 360
Transmission & Reticulation	391 839	130	139	308 333	198	243
Street Lighting	1 431	775	359	-	463	360
Infrastructure: Water - Total	194 223	115 755	109 123	101 299	99 934	93 550
Dams & Reservoirs		115	109	3 797	99 934	93 550
Reticulation	194 223	755	123	97 502		
Infrastructure: Sanitation - Total	566 853	142 791	320 883	11 183	224 400	266 818
Sewerage purification	566 853	142 791	320 883	11 183	224 400	266 818
Infrastructure: Other - Total	1 422 254	1 235 229	103 072	69 091	1 160 157	1 335 523
Waste Management	20 009	37 974	34 072	16 077	48 390	67 050
Transportation	986 267	1 131 655	–	–	1 031 167	1 184 873
Gas	2 878	–	–	-	–	–

<i>Other</i>	413 101	65 600	69 000	53 014	80 600	83 600
<u>Community</u>	131 121	420 457	192 142	98 120	500 528	462 314
Parks & gardens	63 396	32 517	2 232	20 182	15 800	12 870
Sports fields & stadia	16 679	64 059	52 554	12 264	104 230	88 885
Swimming pools	1 672	4 834	8 034	-	13 050	2 700
Community halls	10 368	35 304	0	4 902	37 746	44 730
Libraries	15 447	44 006	6 836	11 765	22 188	12 200
Fire, safety & emergency	3 563	44 340	5 687	13 809	47 600	38 700
Clinics	4 274	14 846	17 424	11 415	24 882	28 710
Museums & Art Galleries	14 318	46 548	24 321	6 502	91 990	61 400
Cemeteries	1 404	33 705	74 260	10 008	21 060	34 650
Other	-	100 298	300	7 273	120 363	119 019
<u>Heritage assets</u>	-	17 000	3 616	3 616	4 000	-
Buildings						
Other	-	17 000	3 616	3 616	4 000	-

Table continued next page

Table continued from previous page

Capital Expenditure - Upgrade/Renewal Programme*				R '000
Description	2016/17	2017/18	Planned Capital Expenditure	

	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2
Capital expenditure by Asset Class						
Investment properties	-	-	-	-	-	-
Housing development						
Other						
Other assets	275 002	204 915	314 430	169 801	110 161	119 510
General vehicles	-	-	82 922	42 922		
Plant & equipment	17 581	-	62 061	62 051	3 600	9 311
Markets	-	-	-	-	-	-
Civic Land and Buildings	46	-	-	-	-	-
Other Buildings	30 248	204 915	163 713	64 029	106 561	110 200
Other	227 127					
Agricultural assets	-	-	-	-	-	-
<i>List sub-class</i>						
Biological assets	-	-	2 012	2 012	-	-
<i>List sub-class</i>	-	-	2 012	2 012	-	-
Intangibles	45 998	34 616	305 314	24 352	13 889	22 275
Computers - software & programming	45 998	34 616	305 314	24 352	13 889	22 275
Other (<i>list sub-class</i>)	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	3 770 494	3 317 004	2 920 364	1 970 691	3 480 092	3 678 524
Total Capital Expenditure on New and renewal of existing assets	5 434,061	7 340 083,795	6 564 145	4 791,159	7 225 045,168	7 750 323,834
Specialised vehicles	-	-	-	-	-	-
Refuse	-	-	-	-	-	-
Fire	-	-	-	-	-	-
Conservancy	-	-	-	-	-	-
Ambulances	-	-	-	-	-	-

Appendix N – Capital Programme by Major Projects – June 2018

CAPITAL PROGRAMME BY MAJOR PROJECTS						
DESCRIPTION	Project	ORIGINAL BUDGET	ADJUST ED BUDGET	YTD ACTUAL S	Variance Act - ADJ%	Variance Adj - OBJ%
CAPITAL BUDGET		1 144,393	2 099,481	2 131,457	2%	83%
HUMAN SETTLEMENT & INFRASTRUCTURE		1 005,119	1 577,533	1 581,515	0%	57%
HOUSING		19,200	193,667	180,055	-7%	909%
HOUSING INFRASTRUCTURE		19,200	193,667	180,055	-7%	909%
Oakford Pr.	P5121	19,200	28,100	32,987	17%	46%
Strategic Land Acquisition &	P5422	0,000	57,767	61,672	7%	0%
Umlazi Area 1	P5510	0,000	107,800	85,396	-21%	0%
ENGINEERING		4,500	77,962	77,962	0%	1632 %
ZONAL PLANS - ENGINEERS		0,000	48,603	48,603	0%	0%
Comm Infr S/Wlk & Pssg-South	P10067	0,000	24,075	24,075	0%	0%
Com Infr S/Wlk&Pssg-Inner West	P10068	0,000	24,528	24,528	0%	0%
STORMWATER		4,500	29,359	29,359	0%	552%
Durban Central Beachfront: Infrastructure Works	P7275	4,500	29,359	29,359	0%	552%
ETHEKWENI TRANSPORT AUTHORITY		321,786	397,586	506,518	27%	24%
Corridor C3 - PTIS funded	P8528	281,786	281,786	372,391	32%	0%
Cornubia Blvd	P9706C	0,000	75,800	107,414	42%	0%
Inanda arterial extension	P9234C	40,000	40,000	26,714	-33%	0%
Water		235,827	252,506	237,980	-6%	7%
Water Flagship Project - Western Aqueduct	X4625A	83,027	100,122	100,122	0%	21%
Northern Aquaduct	X4764A	152,800	97,800	83,273	-15%	-36%
WATERLOO RESERVOIR TO SIBAYA	X8112	0,000	54,584	54,584	0%	0%
SANITATION		357,716	347,748	274,812	-21%	-3%
Swwtw Digester Online	Y7048A	45,000	32,417	31,254	-4%	-28%
Rural Sanitation (Block Sum)	X5258A	30,000	32,615	23,679	-27%	9%

Ablution Blocks - In Situ Upgrade		282,716	282,716	219,879	-22%	0%
SOLID WASTE		56,090	80,860	86,852	7%	44%
Fleet - Solid Waste	PC8900	45,000	68,800	74,643	8%	53%

Small Plant & Equipment	PC8800	0,090	6,550	6,706	2%	7178 %
Low Landfill Cell Phases and Infrastructure Works	WLO03A	11,000	5,510	5,502	0%	-50%
ELECTRICITY		10,000	227,203	217,337	-4%	2172 %
Prepayment Connection Costs	MV037	10,000	66,450	56,584	-15%	564%
Substation equipment replacement project	SSR001	0,000	74,549	74,549	0%	0%
COMPUTER SOFTWARE		0,000	86,205	86,205	0%	0%
Computer Software & Licences	PC9440	0,000	86,205	86,205	0%	0%
COMMUNITY & EMERGENCY SERVICES		26,595	29,288	59,985	105 %	10%
COMMUNITY & EMERGENCY SERVICES - HSS		26,595	19,288	51,661	168 %	-27%
LIBRARIES		13,500	13,500	21,278	58%	0%
Purchase of library books	PC8910	13,500	13,500	21,278	58%	0%
PARKS		13,095	5,788	30,383	425 %	-56%
Development of new Parks (City Wide)	N1236	13,095	5,788	30,383	425 %	-56%
COMMUNITY & EMERGENCY SERVICES		0,000	10,000	8,324	-17%	0%
EMERGENCY CONTROL & DISASTER MANAGEMENT		0,000	10,000	8,324	-17%	0%
Emergency Services Call Centre Equipment And Software For Dispatching Emergency Services Rapid Response (Call Manager)	N2342	0,000	10,000	8,324	-17%	0%
ECONOMIC DEVELOPMENT & PLANNING		12,778	158,036	125,259	-21%	1137 %
ECONOMIC DEVELOPMENT		0,000	43,637	43,641	0%	0%
Upgrade of Flanders Drive	S1093B	0,000	17,004	17,008	0%	0%
Intermodal Bridge City	S1074	0,000	26,633	26,633	0%	0%
URBAN RENEWAL		12,778	114,400	81,618	-29%	795%
Point waterfront		12,778	114,400	81,618	-29%	795%

FINANCE		94,646	206,156	227,339	10%	118%
FINANCE CITY FLEET		94,646	206,156	227,339	10%	118%
Depot Upgrades and Expansions (Mobeni & Western Region)	CF008	9,000	14,557	14,558	0%	62%

Service Delivery Trucks, Vans And Other revised	PC8900	63,146	176,051	197,235	12%	179%
Ottawa Workshop	CF009	22,500	15,548	15,547	0%	-31%
GOVERNANCE & INTERNATIONAL RELATIONS		2,569	17,694	16,093	-9%	589%
CITY HALL		2,029	15,729	14,843	-6%	675%
Upgrading of Airconditioning	G1001	2,029	14,029	13,145	-6%	591%
Machinery and Equipment (Security Equipment)	PC8800	0,000	1,700	1,698	0%	0%
COMMUNITY PARTICIPATION		0,540	1,965	1,250	-36%	264%
Steel Containers - 6 metres (12)	CPAS02A	0,540	1,965	1,250	-36%	264%
CORPORATE & HUMAN RESOURCES		0,000	5,713	4,016	-30%	0%
Biometrics	I0034	0,000	3,078	2,819	-8%	0%
Computer Labs	I0035	0,000	2,275	0,837	-63%	0%
Building Improvements	I0037	0,000	0,361	0,360	0%	0%
OFFICE OF CITY MANAGER		2,686	105,061	117,250	12%	3812 %
INFORMATION TECHNOLOGY		2,686	105,061	117,250	12%	3812 %
Business Process Management	O1007	2,686	35,061	32,014	-9%	1206%
Tetra Radio Terminals	O1097	0,000	60,000	59,108	-1%	0%
Cognos Software Licences	PC6560	0,000	10,000	26,128	161%	0%

Appendix O – Capital Programme by Project and Ward

APPENDIX O: CAPITAL PROJECT BY WARD JUNE 2018

CAPITAL PROJECT BY WARD 2017/2018		
PROJECT NAME AND DETAILS	WARD(S) AFFECTED	PROJECT COMPLETED YES/NO
HOUSING		
Brooksfarm	W051	No
Burlington Greenfields - Extension	W053	No
Cornubia Ph 1B(2)	W102	No
Cornubia Ph 1B(3)	W102	No
Emalangen Phase 3	R002	No
Emaphephethweni	W002	No
Emaplazini	W043	No
Etafuleni Ph 1	W053	No
Fire Damage	0010	No
Greater-Amoati	W053	No
Inanda Dam	W003	No
Inkanyezi	W017	No
Klaarwater Station	W017	No
Kwalinda (12)	W012	No
KwaMashu L	W040	No
Matamfana	W045	No
Mona Sunhills	W061	No
Mpumalanga Unit G	W006	No
Nkanku road	W090	No
Northern Storm	W003	No
Ntuzuma D Phase 2 & 3	W038	No
Oakford Priory	W059	No
Sobonakhona Phase 1	W096	No
Southern Storm	W084	No
Thambo Plaza	W055	No
Umlazi Infill Phase 1 Part 4	W076	No
Umlazi S 1 2 & 3	0010	No
Umnini Zone 2	W098	No
Vumengazi/Ngoyameni Rural	R006	No
Woody Glen Phase 1	W091	No
Cornubia Ph 1B(1)	W102	No
Cornubia Phase 2A	W102	No
Banana City	W023	No
Insizwakazi	0010	No
Hambanathi	0010	No
Land Acquisition - Mpumalanga	0010	Yes
INTERIM SERVICES		
Panekeni	W004	No
Wathanga	W007	No
Lungelani	W058	No
Ivy Close	R003	No
Jan Roz	W062	No
Africa	W055	No
Dassenhoek - Block C	W014	No
Molweni (Romani 1)	W009	No
Umlazi E2 (Egoli)	W080	No
Ndliyomlilo	W061	No
Luthuli Area	W007	No
K7/AA Lusaka	W078	No

Zimbabwe	W053	No
Umlazi V10	W080	No
Umlazi BB 868	W084	No

Umlazi J4	W077	No
Dark City	W009	No
Umlazi T	W089	No
Kranskloof	W020	No
Umlazi Glebelands	W076	No
SJ Smith	W075	No
Dalton	W032	No
KwaMakhutha	W094	No
Thokoza	W031	No
Jacobs	W075	No
Klaarwater	W017	No
HOUSING INFRASTRUCTURE		
Burlington Greenfields - Extension	W065	No
Etafuleni Ph 1A(DB)	W053	No
Etafuleni Ph 1B-3	W056	No
Kloof extension 15 & 21 (KwaBhontshisi)	R002	No
*Lamontville Informal settlement	W075	No
Mona Sunhill	W061	No
Ntuzuma D Ph 2&3 (Stage 2)	W043	No
Ntuzuma G Infill & G Triangle	W055	No
Oakford Pr.	W059	No
Umlazi B10	W077	Yes
Umlazi Infill - g20	W079	No
Umlazi Infill (GX5)	W085	No
Umlazi Infill - Part 4 - HX2	W079	No
Etafuleni 1B2	W056	No
Cornubia Ph 1B Remedial Footpaths	W102	No
Thambo Plaza	W057	No
Kennedy Road	W025	No
Kwadabeka A infill	W020	No
ZAMANI PHASE PHASE 1B	W091	No
Umlazi Infill - BX4 Ward 88	W088	No
Cornubia 1B1	W102	No
Umlazi Area 1	W076	No
Cornubia 1B3	W102	No
ENGINEERING		
Depot Rationalisation	0010	Yes
ROADS & STORMWATER MAINTENANCE		
Low volume roads surfacing programme	0010	No
ROADS		
106589 STR - gravel to surface , ward 38	W038	No
Ilozane STR - gravel to surface , Ward 38	W038	No
NOGWAJA RD - gravel to surface , Ward 47	W047	Yes
ANGOLA BUS ROUTE - gravel to surface , Ward 53/56	R003	Yes
NEW RIVER SCHOOL ROAD - gravel to surface , Ward 5	W005	Yes
Road Upgrade- TRK 75165 gravel to surface Ward 14	W014	yes
Road Upgrade- 201199STR &200499STR gravel to surface Ward 15	W015	No
Fernham Drive - Sidewalks , ward 52/54	R003	Yes
Road Rehabilitation(Blocksum)	0010	No

Road Rehabilitation(Blocksum)	0010	No
Shop Road - 62011 Trk , gravel to surface , Ward 103	W103	No

Road 108706 - Ward 57	W057	Yes
Minor Rehab-Sydney Road,	0010	Yes
Minor Rehab-Archary Road,	0010	Yes
Rehab-Cliffview	W065	Yes
Rehab: Devon Terrace	W080	Yes
Rehab:Masibonge Drive	W085	Yes
Seal: 30th Ave	W065	Yes
Seal: Waverly Road	W065	Yes
Rehab:Sarnia Road	W065	Yes
Rehab:Powerline Str	W070	Yes
Rehab:Crimby Ave	W070	Yes
Rehab:Strelitzia Rd	W070	Yes
Rehab:Glenover Rd	W070	Yes
Rehab: Prince Mcwayizeni Dr(16	W076	Yes
VARIOUS ACCESS ROADS IN UMLAZI	W082	YEs
BELLAIR ROAD UPGRADE - PHASE	W029	Yes
Gudlintaba RD (RDID-86070)	W008	Yes
ROAD TRK 86714 (RDID 6849	W009	No
CRECHE ROAD - gravel to surface , Ward 1	W001	Yes
ROAD 108512 WARD 54	W054	No
Upgrade - ST 200709, Kwadabeka	W014	Yes
Road A637 upgrade gravel to surface Ward 94	W094	No
Road A626 upgrade gravel to surface Ward 95	W095	Yes
Ndoda Mpungose upgrade gravel to surface Ward 67	W067	Yes
Upgrade- Twelfth STR, Thornwood	W015	Yes
Road Upgrade- 211744STR gravel to surface Ward 12	W012	yes
Ubhaqa Rd Upgrade gravel to surface Ward 13	W013	Yes
Road Upgrade- Mfeme Rd gravel to surface Ward 16	W017	Yes
Road Upgrade- 47058TRK gravel to surface Ward 72	W072	Yes
CONSTRUCTION OF ACCESS RDS W005	W005	Yes
STORMWATER		
Durban Central Beachfront: Infrastructure Works	W026	Yes
North Beach Road, Umdloti	W058	Yes
S/W upgrade montclair pipe	W064	Yes
Tunnel Road, Dassenhoek	W014	Yes
Duiker road/Delta Road	W090	No
North Beach Road, Umdloti	W058	Yes
Ansteys Stormwater Outfall	W066	No
Reinstatement of New Beach Outfalls	R001	No
10 Marshall Road- Amanzimtoti North: Flooding due to inadequate drainage system	W093	No
Poppy Place	W025	Yes
Capell Rd	W025	Yes
708 Andrew Zondo Rd, Amanzimtoti	W093	Yes
Mahes Road -Isipingo: Blocked culvert inlet led to water to overtop and damages properties downstream	W090	No
Egret Lane, Umhlanga	W035	Yes
Ridge Road, La Lucia	W035	Yes
Chipstead Ave	W066	Yes
Doreen Cres	W035	Yes
RANGLES RD PARK ATTENUATI	W025	Yes
46 HENDON RD ,KENVILLE	W034	Yes
57 SIGWEGWE RD	W040	Yes
42 ILLOVO RD	W040	Yes
350 UMATHINTA DRIVE KWAMA	W045	No

3 KHULANATHI WAY	W047	Yes
SEYMOUR RD	W063	Yes

18 WILLOW PARK DR	W064	Yes
MAXWELL AVE	W066	Yes
89 HAVENSIDE DRIVE ,HAVEN	W069	No
CORNER SILVERGLEN DR &	W070	Yes
60 ILK CLOSE WESTCLIFF	W073	Yes
MPANZA RD ,LAMONTVILLE	W074	Yes
GWALA STREET,LAMONTVILLE	W074	Yes
1607 WEST SIDE UMLAZI N	W082	No
MAHES RD, ISIPINGO : BLOC	W090	No
737 ANDREW ZONDO ROAD	W093	No
9 GOODHOPE WAY-SLIPPED RD	W097	No
MACLEAN ROAD-COLLAPSED RD	W099	Yes
PHOENIX H/WAY & OLD NORTH	W102	Yes
PARK RD,ATHOLE PARK	W093	Yes
40/42 RIVERSIDE RD, TOTI	W097	No
ETHEKWE NI TRANSPORT AUTHORITY		
PT shelters	0010	No
Corridor C3 - PTIS funded	0010	No
Corridor C9 - PTIS funded	R003	No
Bridge City Depot - PTIS funded	R003	No
ITS & IFMS - PTIS funded	0010	No
Upgrade of area traffic control system	0010	Yes
LED Upgrade	0010	No
ITS Equipment	0010	Yes
MX Traffic signal controllers	0010	Yes
Tomato Hall Taxi Rank - Roof Upgrade	W028	Yes
IRPTN - Land Acquisition	0010	No
Inanda Arterial Extention	W027	No
Bridge City Depot	R003	No
Cornubia Blvd	W102	No
Inanda arterial extension	W027	No
Zonal Plans - Speed Humps	0010	No
Pedestrian Safety - Kennedy Road	W025	Yes
Local Safety improvements - Intersection : Ingcebo/Mbondwe	W045	Yes
Road/ Richmond Road		
University Avenue Taxi rank - Office Block	W028	No
Water		
Sundry Equipment	0010	Yes
Water meters	0010	No
Reservoir refurbishment	0010	No
Zwelibomvu Reservoir	W100	Yes
Ensimbini reservoir	W095	Yes
Umnini reservoir	W098	No
Pump Station Upgrading	0010	Yes
Sundry Equipment P&L	0010	No
Fleet - Water	0010	No
Upgrade of SCADA systems and monitoring	0010	No
Waterloss	0010	Yes
Relays & Extension	0010	Yes
Rural Water (Blocksum)	0010	Yes
Augmentation of Bulk supply to Adams mission 5 res	W096	Yes
KM1 Res Inlet Extension	R003	Yes
Bulk Water Supply to Oakford Priory	W060	Yes
Labour Based Construction - Housing (Water)	0010	Yes
Water Flagship Project - Western Aqueduct	0010	No

Northern Aquaduct	0010	No
Replacement of water pipes	0010	No

Rural Water (Blocksum)	0010	Yes
Domestic meters - Installation	0010	Yes
Prv Installation	0010	Yes
Hammersdale H/LET	W004	Yes
SIHOTH & MAPHEPHETHA ROADS	W032	Yes
PINKNEY PARK-ZONE 1&2	R003	No
MABEDLANA	W018	Yes
NTUZUMA C	W042	Yes
INFORMAL SETTLEMENTS METERING	W062	Yes
BHEKULWANDLE PILOT AREA PHASE 2	0010	No
ICI INDUSTRIAL, COMMERCIAL	W067	Yes
CONTRACT WS.6713	0010	No
TRAFFORD ROAD	W103	No
THE PROVISION OF ENGINEERING	W024	Yes
Installation of domestic meters	W099	No
Ogunjini	0010	No
Instal/Upgrade reservoir	W004	No
Lower Molweni	W032	Yes
Umnini reservoir	W009	No
Mshayazafe Water	W099	No
Groenberg BPT	W019	No
Nombanjane	W074	No
Upgrade Kwamakhutha Pumpstation	R003	Yes
CLERMONT ROAD, KWA DABEKA	R003	No
CHERITON DR TO MOODIE STRT PTN	R003	No
PINKNEY PARK RESERVOIR NIAGARA	R003	No
WATERLOO RESERVOIR TO SIBAYA	R003	No
SANITATION		
Amanzimtoti Old main Rd Sewer Reticulation	W097	Yes
Sea Outfalls Inspection	W068	Yes
Amanzimtoti WWTW Sludge Dewatering	W093	No
Refurbishment of Pipe Bridge at Umbilo WWTW	W033	Yes
Amanzimtoti Old main Rd Sewer Reticulation	W097	Yes
Swwtw Digester Online	W068	No
Hammarisdale Elangeni Sewer reticulation	W004	Yes
Pipe Bridge Over Mbokodweni river to replace existing Siphon	W093	Yes
Amanzimtoti WWTW Sludge Dewatering	W093	No
Mahatma Ghandi Trunk Sewer Rehabilitation Phase 1	W026	Yes
Ntuzuma E Outfall Sewer/Inanda Glebe Sewer Reticulation	W043	Yes
Ablution Blocks - Bulk Infrastructure Projects	0010	No
Refund to THD for Cornubia eastern trunk sewer	W035	Yes
Northern Area pump stations new pumps and upgrades	R003	Yes
Rural Sanitation (Block Sum)	0010	No
Ntuzuma E Outfall Sewer/Inanda Glebe Sewer Reticulation	W043	Yes
Ablution Blocks - In Situ Upgrade	0010	No
Ablution Blocks - In Situ Upgrade	0010	No
SUNDRY TOOLS & EQUIPMENT	W025	Yes
Desludging Northern WWTPONDS	R003	YES
Wastewater Treatment Works Pond Desludging	R003	Yes
7TH AVENUE RETICULATION	R005	Yes
REHAB AND PIPE REPLACEMENT	R003	Yes
NEXT TO HOUSE NO.1664 UMLAZI A	R003	Yes

SOLID WASTE		
Replacement of Compaction Units at T/S	0010	No
Fleet - Solid Waste	0010	yes
Small Plant & Equipment	0010	yes

Steel Skips (Plant & Equipment)	0010	No
Computer Equipment	0010	yes
Wheeled Containers 240L	0010	yes
Low Landfill Cell Phases and Infrastructure Works	W098	No
Rehabilitation of Leachate Treatment Plants at Mariannhill & Buffelsdraai	R004	No
Wash Bays for Ton,Ott,Wye,Isip,Kings,	0010	No
BUFFELSDRAAI GAS TO ELECT	W059	yes
Replacement of compactment unit @3 transfer stations	0010	No
ELECTRICITY		
Bulwer 132/11kv s/stn	W031	no
Communication Network Links	W026	no
Servitudes-Intangible	0010	no
Smart Metering-Demand Management	W026	no
Smart Metering-Demand Management	W026	no
Stockville 132Kv Switching Stn	0010	no
Prepayment Connection Costs	0010	no
Oakford Housing	W060	no
Woodyglen	W018	no
Cornubia Housing	W102	no
Demat Informal 1 & 2	W028	no
Conventional Meters	0010	yes
Sundry New Supply	0010	no
90 Ashley Drive	W028	no
9 Trafford Road	W028	no
N2 Business Estate	W035	no
Arbour Road Umbogintwini	W093	no
Sbu Mkhize Drive - Adams Mission	W067	no
River Road (Bellair)	W065	no
Essex Terrace DSS	W025	no
Lamontville Reinforcement	W074	no
Sundry Replacement	0010	no
Hillcrest 132/11kv Substation	W009	no
Verulam Transformers	W060	no
Umbogintwini 132 kv Upgrade	W093	no
Ottawa 132/11kv S/Stn	0010	no
Rosburgh 132/11KV S/stn	W032	no
Underwood 132/11kv Building	W018	no
Jameson Park Cables	W027	no
Bulwer Substation Building	W031	no
Avoca 132/11KV Substation	W034	no
Dalton -Grosvenor 132 KV Cable	W032	no
Rosburgh-Congella 132KV cable	W032	no
HV Substation Construction	W026	no
OPGW Installation	R002	no
Klaarwater/Umgeni OHTL	R002	yes
Revenue Protection	0010	no
Klaarwater / Hillcrest OHTL Tower 1 to 19	W017	no
Springpark S/Stn	W036	no
K E Masinga S/STN	W026	no
Underwood S/stn	W018	no
K E Masinga GIS EQUIPMENT	W027	no
Substation Reinforcement	W001	yes
New Supply Sundry	0010	yes
Formal Settlements	0010	yes
Informal Settlement	0010	yes

MV/LV NEW SUPPLY OHM	0010	yes
Informal Settlement	0010	yes

MV/LV NEW SUPPLY UGM	0010	yes
MV/LV SERVICE CONNECTIONS	0010	yes
PREPayment Connection NER	0010	yes
NEW Supply SL	0010	yes
CAPITAL REPLACEMENT	0010	yes
NEW SUPPLY S/STN	0010	yes
REINFORCEMENT UGM	0010	yes
CAPITAL REPLACEMENT UGM	0010	yes
INFormal Settlement UGM	0010	yes
PREPAID METERS CENTRAL	0010	yes
CONVentional Meters CENTRAL	R001	yes
JAMAICA INFORMAL SETTLEMENT	W056	no
PREPAID METERS S WESTERN	W072	yes
JACOBS S/STN	W075	yes
TRANSFORMER INSTALLATION	W060	no
LV NETWORKS	0010	yes
MV/LV NEW SUPPLY	0010	yes
NETWORK MANAGEMENT SYSTEM	0010	yes
Westmead S/Stn Transformer Equipment	W015	no
Springpark S/Stn	W036	no
Dalton-Cathedral 132kv Cable Replacement	W026	no
Old Fort-Addington 132KV Cable Replacement	W026	no
Umlazi Substation Reinstatement of Civil Works	W075	no
2 MEIRICKTON HILLCREST	W010	no
C2425 - Springpark	W037	no
Hillcrest Substation	W010	no
Substation equipment replacement project	0010	YES
NORTHERN REGION - UNDERGROUND	0010	yes
LIGHTING		
Lighting -Major Route Improvements	0010	Yes
Lighting -New Major Routes	0010	Yes
Lighting- Sundry	0010	Yes
COMPUTER EQUIPMENT		
Scada Servers	0010	Yes
Server Hardware	0010	Yes
COMPUTER SOFTWARE		
Distribution Automation Project	0010	no
MV/LV Distribution Automation Project	0010	no
System Communication & Control	0010	no
GIS System	0010	no
Computer Software & Licences	0010	no
BUILDINGS		
Training Centre-Springfield	0010	no
Northern Depot - Female Restroom	0010	yes
N/W Depot New Female Changeroom & Standby	0010	yes
Control Centre Building Additions	0010	no
Energy Control Building-Kings Road	W018	no
PLANT & EQUIPMENT		
Storage Battery EquipmentSubstation Plant -Protection & Test	0010	Yes
VEHICLES		
Cars & Vans	0010	Yes

COMMUNITY & EMERGENCY SERVICES		

COMMUNITY & EMERGENCY SERVICES - HSS		
CEMETERIES		
Worst Condition Assets (Cdi 0-40%) Condition Index	0010	No
Fencing of Cemeteries (etafuleni,kwamashu,mophela,ntuzuma,molweni,kwadabeka)	W024	No
COMMUNITY HALLS		
Development of New Halls	0010	No
Worst condition Assets (Cdi 40%-60%) Condition Index - Rehabilitation - Hall	0010	No
Zonal : Halls	0010	No
LIBRARIES		
Purchase of library books	0010	Yes
Amaoti (New Infrastructure)	W024	No
Fencing & Paving : Libraries	0010	No
Whetstone Library	W052	No
Plant and Equipment (ICT Grants)	0010	Yes
BEACHES AND POOLS		
Inanda Pool	W055	No
Rachel Finlayson Pool	W026	No
PARKS		
Upgrade of Staff Facilities including depots in PLC (Investigate, Package And Provide)	0010	No
Development of new Parks (City Wide)	0010	No
Specialised Parks Equipment	0010	No
Vulamehlo	0010	Yes
Zonal Parks : N1942	0010	No
SPORTS FACILITIES		
Rural Areas: New Sport Facilities(inchanga,Ntamtengwayo,Um	0010	No
Zonal Plan :	0010	no
MUSEUMS		
Rivertown Cultural Precinct	W026	No
NSM City Hall Exhibitions	W028	Yes
CES - Moses Mabida		
Buildings And Other Structures/Moses Mabida	W027	No
Buildings And Other Structures/Moses Mabida	W027	No
CLINICS		
Savannah Park clinic	W017	No
Waterfall Clinic	W009	Yes
Marrianridge Clinic	W013	Yes
COMMUNITY & EMERGENCY SERVICES		
EMERGENCY CONTROL & DISASTER MANAGEMENT		
CCTV Expansion	0010	No
Emergency Services Call Centre Equipment And Software	0010	No

For Dis		
FIRE & EMERGENCY SERVICES		
Verulam Fire Station (Permanent Facility)	W058	No

Renovations and alterations (Prospecton)	W090	Yes
Renovations and alterations (Brigade HQ)	W031	No
Fire Fighting Equipment at Depots	0010	No
Specialist Support Vehicles - Fire	0010	No
ECONOMIC DEVELOPMENT & PLANNING		
ECONOMIC DEVELOPMENT		
Isipingo phase 3 of public realm upgrades.	W089	No
Umlazi - Sibusio Mdakane Road Upgrade	W076	No
Clermont (Land Expropriation of Zazi Street) Zazi Krause Road	W019	Yes
Verulam Heritage Centre	W058	Yes
Magabheni Government Mall	W099	No
Umgababa Beach Infrastructure Upgrade	W098	No
Construction of 66 Pinetown Street Traders Shelters	W018	Yes
Construction of an Aquaponics Project (Fish Farm)	W063	Yes
Hammersdale N3 Interchange (SANRAL)	W027	No
Mid way Crossing	W037	Yes
Town centre renewal-Umhlanga	W035	No
Upgrade of Flanders Drive	W102	No
Upgrade of Flanders Drive	W102	No
Rehabilitation to Anstey's Beach	W068	Yes
Intermodal Bridge City	W046	No
NEIGHBOURHOOD DEVELOPMENT		
Umlazi-Auto Hub	R005	No
Mpumalanga Non Motorised Transport (NMT) - Walkway Sidewalk	W091	No
DEVELOPMENT & PLANNING		
D'MOSS	0010	Yes
Reforestation Assets	0010	Yes
CSA2499: BUFFELSDRAAI	R004	Yes
DURBAN ENERGY OFFICE		
Renewable Energy Pilot Project	0010	Yes
Energy Efficient Lights	0010	Yes
BUSINESS SUPPORT		
Heavy and Mobile Plant	0010	Yes
Portion 278 (of 275) Farm Uitkomst and Doornrug No 852	0010	Yes
Purchase of tractors	0010	Yes
Informal Traders Goods Strogae	W028	No
BULK MARKETS		
Development of Distribution Centre	W032	Yes
RETAIL MARKETS		
URBAN RENEWAL		
Agri-park	W032	Yes
Point waterfront	0010	No
Cornubia Neighbourhood	W102	No
FINANCE		

FINANCE CITY FLEET		
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Depot Upgrades and Expansions (Moberly & Western Region)	0010	No
Service Delivery Trucks, Vans And Other revised	0010	No
Ottawa Workshop	0010	No
Vehicle Tracking Sytem	0010	No
Springfield Complex - Plant & Vehicle Hub	0010	No
Specialised Vehicles for Metro	0010	No
FINANCE		
REVENUE		
REAL ESTATES		
INTERNAL CONTROL & BUSINESS SYSTEMS		
Lifts	0010	No
SUPPLY CHAIN MANAGEMENT		
SCM Procurement IT System	0010	No
Home Bowser Pumps	0010	No
GOVERNANCE & INTERNATIONAL RELATIONS		
CITY HALL		
Upgrading of Airconditioning	28	No
Ceiling Main Auditorium	28	Yes
Machinery and Equipment (Security Equipment)	28	Yes
COMMUNITY PARTICIPATION		
Steel Containers - 6 metres (12)	18	Yes
CORPORATE & HUMAN RESOURCES		
Biometrics	0010	No
OFFICE OF CITY MANAGER		
INFORMATION TECHNOLOGY		
Radio Comm. Infrast. - Highsite Accom.	28	No
Infrastructure management tools	28	No
Data Warehousing, Business Intelligence & App Integration	28	No
It Tools & Firewalls	28	No
Desktop Infra: Upgrades/Equip For New Staff	28	Yes
Datacente Infra: Servers	28	No
Business Process Management	28	No
Payroll and HR Mis	28	No
Software Licences	28	No
Fibre, Wireless, Monitoring and Wide Area Network	28	No
Fibre and Wide area Network	28	No
Information Technology Computers	28	Yes
Tetra Radio Terminals	28	No
Major Systems enhancement	28	No
Cognos Software Licences	28	No
Public Wi- Fi	28	No
PERFORMANCE MANAGEMENT		
Building Renovations	28	yes

Appendix P: Service Connection Backlogs at Schools and Clinics (2016/2017 Financial Year Information)

Service Backlogs: Clinics								
Establishments lacking basic services			Water	Sanitation	Electricity	Solid Waste Collection	Back-up Generator	Back-up water source
Schools (NAMES, LOCATIONS)								
The Unit does not have any service backlogs.						100% collection rate		
Clinics	Type	Address	Water	Sanitation	Electricity	Solid Waste Collection	Back-up Generator	Back-up water source
Adams	Clinic	D995 SHELENI ROAD, ADAMS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Amanzimtoti	Clinic	3 ROSS STREET, AMANZIMTOTI	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Athlone Park	Clinic	4 WARNER ROAD, ATHLONE PARK	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Austerville	Clinic	9 CLINIC ROAD AUSTERVILLE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Bayview	Clinic	ROAD 224 TURNSTONE AVENUE BAYVIEW	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Bester	Clinic	Vezi Rd, Ntuzuma	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Bluff	Clinic	1302 BLUFF ROAD BLUFF	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Burlington	Mobile	Siyaka Creche , Turquoise Rd Burlington	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Caneside	Clinic	175 Canehaven Dr, Caneside, Phoenix	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Chesterville	Clinic	Cnr Road 3 & Booth Road Chesterville	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Chopperstown	Mobile	Bet. Umdloti & Waterloo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Clairwood	Health Post	CNR CHERRY & PERSAD RD TEMPLE (140 CHERRY ROAD CLAIRWOOD)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x

Service Backlogs: Clinics								
Establishments lacking basic services			Water	Sanitation	Electricity	Solid Waste Collection	Back-up Generator	Back-up water source
Schools (NAMES, LOCATIONS)								
The Unit does not have any service backlogs.						100% collection rate		
Clinics	Type	Address	Water	Sanitation	Electricity	Solid Waste Collection	Back-up Generator	Back-up water source
Cliffdale	Mobile	Next to Cliffdale Primary School	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Coffee farm	Mobile	Community Hall-Coffee farm	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Cornubia	Mobile	Cornubia, Verulam	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Cottonlands	Mobile	Cottonlands, Verulam	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Craigieburn	Clinic	1 Civic Street, Umkomaas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Dassenhoek	Mobile	Near DH High School-Dassenhoek	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Ezimbokodweni	Mobile	ERF 79 KWAKAMA J (EMADANYINI ROAD EZIMBOKODWENI)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Fredville	Mobile	Fredville Road-Rem of Ptn 12 Inanda 4675	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Glen Earle	Clinic	260 John Dory Dr, Newlands East	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Grove End	Clinic	68 Elfgrove Way, Stanmore,Phoenix	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Hambanathi	Clinic	361 Thandukwazi St, Hambanathi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Illovo	Clinic	R603 ESTONE ROAD, ILLOVU	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Inanda Seminary	Clinic	Portion 1 of 699 Inanda Glebe, Inanda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Isipingo	Clinic	172 OLD MAIN ROAD ISIPINGO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Kingsburgh	Clinic	31 MAYOR MEWS, WINKELSPRUIT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Klaarwater	Clinic	Cnr Ndwandwe & Nkomazi Street, Klaarwater	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x

Service Backlogs: Clinics								
Establishments lacking basic services			Water	Sanitation	Electricity	Solid Waste Collection	Back-up Generator	Back-up water source
Schools (NAMES, LOCATIONS)								
The Unit does not have any service backlogs.						100% collection rate		
Clinics	Type	Address	Water	Sanitation	Electricity	Solid Waste Collection	Back-up Generator	Back-up water source
Kloof	Clinic	No 2 Umzwilili Road - Kloof	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Kwa Mashu B	Clinic	Cnr, Isikhindi & Qhino Rd, Kwa Mashu	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
La Lucia	Clinic	1 Library Lane, La Lucia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Lamontville	Clinic	CNR GWALA & HULL ROADS LAMONTVILLE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Luganda	Clinic	Lot 16310 Luganda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Madundube	Mobile	NEXT TO SIBUKEYANE PRIMARY SCHOOL MADUNDUBE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Malukazi	Mobile	ROAD 5 MANGOSUTHU HIGH WAY MALUKAZI	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Mangangeni	Mobile	Zwelibomvu	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Maphephetheni	Mobile	Trk 84380	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Mariannridge	Clinic	Leo Place - Mariannridge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Matata	Mobile	D870 - Rem of Inanda Location 4675	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Merebank	Clinic	2 BOMBAY SQUARE MEREBANK	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Mkhizwane	Mobile	Trk 83204- Ptn 11 Rem of Inanda Location 4675	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Mntamntengayo	Mobile	Pass Zwelibomvu Clinic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Montclair	Mobile	199 Kenyon Howden Road	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x

Service Backlogs: Clinics								
Establishments lacking basic services			Water	Sanitation	Electricity	Solid Waste Collection	Back-up Generator	Back-up water source
Schools (NAMES, LOCATIONS)								
The Unit does not have any service backlogs.						100% collection rate		
Clinics	Type	Address	Water	Sanitation	Electricity	Solid Waste Collection	Back-up Generator	Back-up water source
Motala	Mobile	Naidoo Road –Motala Heights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Mpola	Clinic	Off Milky Way- Mpola	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Mzamo	Clinic	St Wendolins Road, St Wendolins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Nagina	Clinic	1 Soni Way, Dassenhoek Marianhill	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Nazareth	Mobile	Hlongwa Street - Nazareth	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
New Germany	Clinic	2 Coventry Avenue – New Germany	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Newlands West	Clinic	164 Loopwest Cres, Newlands West	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Northdene	Mobile	Kashmiri Drive- Nirvana Hills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Nqetho	Mobile	A3853 - Rem of Inanda Location 4675	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Ntinyane	Mobile	NEXT TO EKUDEYENI PRIMARY SCHOOL - P718	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Ntshongweni	Mobile	Trk 74007- Erf 205 Edgeley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Othweba	Mobile	KwaXimba-Rem 12 Inanda Location 4675	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Ottawa	Clinic	Kisson Rd, Riet River- Ottawa	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Pinetown	Clinic	18 Chapel Street - Pinetown	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Primrose Service Centre	Health Post	CNR GOUREZ & AUSTERVILLE DRIVE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x

Service Backlogs: Clinics								
Establishments lacking basic services			Water	Sanitation	Electricity	Solid Waste Collection	Back-up Generator	Back-up water source
Schools (NAMES, LOCATIONS)								
The Unit does not have any service backlogs.						100% collection rate		
Clinics	Type	Address	Water	Sanitation	Electricity	Solid Waste Collection	Back-up Generator	Back-up water source
Quarry Heights	Health Post	166 Isilo Road, ERF1367, Quarry Heights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Queenburgh	Clinic	Cnr Knights Way & Coronation Road - Queensburgh	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Redcliffe	Clinic	Redcliffe Dr, Redcliffe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Redhill	Clinic	162 Effingham Road, Redhill	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Reservoir Hills	Clinic	Cnr Mouthbatten & Riddick Place - Reservoir Hills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Savana Park	Clinic	C/O Grassland Road Savanah Park	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Sea Cow Lake	Clinic	64 Triumph Rd, Sea Cow Lake	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Seaview	Health Post	ST JOHNS HALL SEAVIEW	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Shallcross	Clinic	265 Shallcross Road Shallcross	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Shongweni	Mobile	A3853 - Rem of Newhope 16700	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Stonebridge	Clinic	40 Tower Rd, Stonebridge,Phoenix	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Tafelkop	Mobile	REM 2199 UMLAZI LOCATION (D1010 TAFELKOP)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Thokoza	Mobile	Rural Ndengezi-Rem of Newhope 16750	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Township Centre	Clinic	Opp City Treasury Main Street, Chatsworth Circle, Arena Park	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x

Service Backlogs: Clinics								
Establishments lacking basic services			Water	Sanitation	Electricity	Solid Waste Collection	Back-up Generator	Back-up water source
Schools (NAMES, LOCATIONS)								
The Unit does not have any service backlogs.						100% collection rate		
Clinics	Type	Address	Water	Sanitation	Electricity	Solid Waste Collection	Back-up Generator	Back-up water source
Trenance	Clinic	Cottonwood Dr, Trenance Park	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Tshelimnyama	Clinic	Umhlatuzana Road -Tshelimnyama	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Umdloti	Mobile	4 Main Rd, Umhloti Beach	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Umgababa	Mobile	Trk 86582 - Rem of Inanda Location 4675	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Umhlanga	Clinic	1 Lagoon Dr, Umhlanga	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Umkomaas	Clinic	72 BURROW STREET, UMKOMAAS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Umlazi AA	Clinic	AA 290 NGCEDE DRIVE UMLAZI	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Umlazi G	Clinic	G 739 INYALA STREET UMLAZI	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Umlazi N	Clinic	N 253 MAPONYA STREET UMLAZI	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Umngeni	Mobile	Trk 74007- Rem of Inanda Location 4675	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Umqeku	Mobile	Maphephetheni - Rem of Inanda Location 4675	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Verulam	Clinic	8 Wick St, Verulam	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Waterfall	Clinic	5 Link Road Waterfall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Waterloo	Clinic	29 Aloe Rd, Waterloo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Welbedatch East	Mobile	C/O Construction Site, Welbedatch East	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Welbedatch West	Mobile	Demat Road Welbedatch West	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x

Service Backlogs: Clinics								
Establishments lacking basic services			Water	Sanitation	Electricity	Solid Waste Collection	Back-up Generator	Back-up water source
Schools (NAMES, LOCATIONS)								
The Unit does not have any service backlogs.						100% collection rate		
Clinics	Type	Address	Water	Sanitation	Electricity	Solid Waste Collection	Back-up Generator	Back-up water source
Westrich	Health Post	ERF2328, No.6 West Ridge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Westville	Clinic	47 Norfolk Terrace - Westville	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Woodhurst Clinic	Clinic	Road 1018, Uranus Road Woodhurst, Chatsworth	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Wyebank	Clinic	181 Wyebank Road - Wyebank	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Zibuse	Mobile	Srt 76199-Erf 873 Mpumalanga 0688	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
Zwelitsha	Mobile	Opp. Ottawa, Riet River	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	x
						<i>Names and locations of schools and clinics lacking one or more services. Use 'x' to mark lack of service at appropriate level for the number of people attending the school/clinic, allowing for the proper functioning of the establishment concerned.</i>		
						T P		

Appendix Q: Service Backlogs Experienced by the Community where another Sphere of Government is Responsible for Service Provision

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Clinics		
Major capital expansions/building upgrades	30 expansions/upgrades	Lack of clinic facilities/ Being in line with the National Health Core Standards
Capital expansions at CHC	8 expansions	
Satellites to be upgraded to fixed	9 upgrades	
Home Affair Offices		
Buffelsdraai and Osindisweni	10 (0.02 ha each)	Lack of basic/social service facilities
Verulam		
Bridge City, Newlands, KwaMashu and Umhlanga		
KwaNgcolosi and Umzinyati		
Pinetown South		
Umbogotwini		
Illovo and Umgababa		
Labour Offices		
Verulam	9 (0.0042 ha each)	Lack of social service facilities
Bridge City, Newlands, KwaMashu and Umhlanga		
KwaNgcolosi and Umzinyati		
Inchanga		
Mpumalanga		
Pinetown South		
Umbumbulu		
Illovo and Umgababa		

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
SASSA Offices		
Tongaat and Cottonlands	6 (0.0042 ha each)	Lack of social service facilities
KwaNgcolosi and Umzinyati		
Inchanga		
Shongweni		
Zwelibomvu		
Hillcrest		
SASSA Pay Points		
Tongaat and Cottonlands	2 Fixed 10 Mobile	Lack of social services facilities
Verulam		
Phoenix and Cornubia		
KwaNgcolosi and Umzinyati		
KwaXimba		
Mpumalanga		
Pinetown South		
Libraries		
KwaXimba	4 (0.05 ha each)	Lack of educational facilities, lack of Information, awareness and knowledge hub, lack of recreational facility within the community.
KwaNgcolosi and Umzinyati		
Chatsworth and Umlazi		
Umbogotwini		
Home for the Aged		
Tongaat and Cottonlands	8 (2 ha each)	Lack of facilities for the aged
Verulam		
Cato Ridge		

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Shongweni		
Adams		
Craigieburn		
Kloof, Clermont, Waterfall and Molweni		
Adams		
Children’s Homes		
Buffelsdraai and Osindisweni	26 (1 ha each)	Lack of facilities for needy children
Verulam		
Phoenix and Cornubia		
Bride City, Newlands, KwaMashu and Umhlanga		
KwaNgcolosi and Umzinyati		
KwaXimba		
Inchanga		
Mpumalanga		
Zwelibomvu		
Kloof, Clermont, Waterfall and Molweni		
Pinetown South		
Chatsworth and Umlazi		
Adams		
Umbongotwini		
Amanzimtoti		
Craigieburn		
Umbumbulu		
Thusong Centres		
Verulam	5 (0.16 ha – 0.2 ha each)	Lack of access to government social and administrative; office; education and skills development; local economic development services.
Bridge City, Newlands, KwaMashu and Umhlanga		
KwaNgcolosi and Umzinyati		
Chatsworth and Umlazi		
Umbogotwini		

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
		Lack of access to business services and community opportunities, and information and communication activities.
Schools (Primary and High)		
Grade R Classrooms		
Cato Ridge	1268 classrooms	Lack of education facilities
Tongaat and Cottonlands		
Verulam		
Buffelsdraai and Osindisweni		
Phoenix and Cornubia		
KwaNgcolosi and Umzinyati		
KwaXimba		
Inchanga		
Mpumalanga		
Botha's Hill and KwaSondela		
Shongweni		
Zwelibomvu		
Hillcrest		
Kloof, Clermont, Waterfall and Molweni		
Pinetown		
Pinetown South		
Shallcross		
Queensburgh		
Westville		
Sydenham		
Berea, Musgrave and Durban CBD		
Cato Manor		

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Chatsworth and Umlazi		
Umbumbulu		
Adams		
Umbogotwini		
Amanzimtoti		
Illovo and Umgababa		
Craigieburn		
Primary Classrooms		
Cato Ridge	2734 classrooms	Lack of education facilities
Tongaat and Cottonlands		
Buffelsdraai and Osindisweni		
Phoenix and Cornubia		
KwaNgcolosi and Umzinyati		
KwaXimba		
Inchanga		
Mpumalanga		
Botha's Hill and KwaSondela		
Shongweni		
Zwelibomvu		
Hillcrest		
Kloof, Clermont, Waterfall and Molweni		
Pinetown South		
Chatsworth and Umlazi		
Umbumbulu		
Adams		
Umbogotwini		
Amanzimtoti		
Illovo and Umgababa		
Craigieburn		
Secondary Classrooms		

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Cato Ridge	4004 classrooms	Lack of education facilities
Tongaat and Cottonlands		
Buffelsdraai and Osindisweni		
Verulam		
Phoenix and Cornubia		
KwaNgcolosi and Umzinyati		
KwaXimba		
Inchanga		
Mpumalanga		
Botha's Hill and KwaSondela		
Shongweni		
Zwelibomvu		
Hillcrest		
Kloof, Clermont, Waterfall and Molweni		
Pinetown		
Pinetown South		
Shallcross		
Chatsworth and Umlazi		
Umbumbulu		
Adams		
Umbogotwini		
Isipingo		
Amanzimtoti		
Illovo and Umgababa		
Craigieburn		
Sports Fields		
5 Regional Sports Stadia		
Buffelsdraai and Osindisweni	4 (3 ha each)	Lack of sports stadia

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
KwaNgcolosi and Umzinyati		Lack of youth development Lack of community facilities Lack of Social Cohesion
Botha’s Hill and KwaSondela		
Shongweni		
KwaNgcolosi and Umzinyato		
Adams		
Other recreational facilities		
Local Parks		
Bridge City, Newlands, KwaMashu and Umhlanga	140 (133 x 0.4 ha each) or less if larger or higher quality	Lack of social cohesion Lack of youth development Lack of community facilities
KwaNgcolosi and Umzinyati		
KwaXimba		
Cato Ridge		
Inchanga		
Mpumalanga		
Botha’s Hill and KwaSondela		
Buffelsdraai and Osindisweni		
Verulam		
Phoenix and Cornubia		
Kloof, Clermont, Waterfall and Molweni		
Pinetown		
Pinetown South		
Shallcross		
Chatsworth and Umlazi		
Adams		
Umbogotwini		
Amanzimtoti		
Illovo and Umgababa		
Craigieburn		
Pools		

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Inchanga	8 (0.18 ha each)	Lack of social cohesion Lack of youth development Lack of sport skills development Lack of community facilities
Mpumalanga		
Hillcrest		
KwaNgcolosi and Umzinyati		
Kloof, Clermont, Waterfall and Molweni		
Adams		
Craigieburn		
Community Halls		
Bridge City, Newlands, KwaMashu and Umhlanga	7 (0.15 – 0.5 ha each)	Lack of community facilities Lack of social cohesion
KwaNgcolosi and Umzinyati		
KwaXimba		
Mpumalanga		
Botha’s Hill and KwaSondela		
Kloof, Clermont, Waterfall and Molweni		
Pinetown		
Queensburgh		
Cato Manor		
Chatsworth and Umlazi		
Multipurpose sports halls		
Kloof, Clermont, Waterfall and Molweni	2 (0.5 ha each)	Lack of community facilities Lack of sporting skills development
Illovo and Umgababa Social		
Licencing and Testing Centre	N/A-No backlogs	N/A-No backlogs

Appendix R: Declaration of Loans and Grants made by the Municipality

Declaration of Loans and Grants made by the Municipality 2017/18				
All Organisation or Person in receipt of Loans / Grants provided by the municipality	Nature of project	Conditions attached to Funding	Value 2017/18 R'000	Total Amount committed over previous and future years R'000
1	1	1	1	1
Point Precinct Trust	To maintain the public land , including the roadways , public open spaces , sidewalks and promenades within the Point Precinct.	As per MOA	1 956	N
Sporting Bodies - Rent	Payment of Rent on behalf of sporting bodies on properties used for sporting activities.	As per Lease Agreement	244 343	787 507
ICC Durban (Proprietary) Limited	To retrofit the existing T5 abd T8 technology light fittings with the LED technology at the Durban ICC Basemanet Parking	As per MOA	8 153	N
Durban Marine Theme Park (State Owned Compa	To manage the day to day operations of the Marine Park component of uShaka Marine World including marine research and education.	As per MOA	70 390	N
Playhouse Company	To promote Art as a catalyst for social cohesion	As per MOA	2 000	9 000
Natal Philharmonic Orchestra	To promote the development of orchestral and other forms of music	As per MOA	7 000	21 000
SEDA eThekwni	SEDA eThekwni is an agency engaged in providing support services to the emerging entrepreneurs of the city.	As per MOA	5 610	9 319
The Loerie Awards Comp	Partnership with the Loeries awards company to host the creative week and the prestigious awards ceremony.	As per MOA	3 475	12 521
KZN Sharks (Pty) Ltd	Sponsorship to KZN Sharks	As per MOA	4 000	6 375
City of Abidjan	A global Safer Cities programme to foster sustainable safety in our neighbourhoods and cities set by the African Forum for Urban Safety in partnership with UN-Habitat.	As per MOA	27	N
City of Ibadan			15	N
City of Nairobi			92	N
City of Entebbe			10	N
City of Montreal			30	N
City of Dakar			46	N
City of Ouagadougou			27	N
City of Lagos			15	N
City of Antananarivo			15	N

Addis Ababa
City of Blantyre
City of Accra
Paris

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11	Ni
6	Ni
8	Ni
14	Ni

City of Abuja			28	Ni
City of Mogadishu			28	Ni
Scholar Patrol Insurance	Payment to schools on behalf of scholar patrol guards for enhancing the safety of school children.	None	138	Ni
Grant In Aid	Provision of once-off short term relief to families whose homes have been damaged or lost as a result of disasters (fire or severe weather related incidents).	None	282	Ni
Discount Benefit Housing Scheme	The National Housing Code provides for discount in terms of the Enhanced Extended Discount Benefit Scheme to provide assistance to purchasers to enable them to take ownership of their properties	EEDBS policy from National Government	1 904	Ni
Black Pepper Events&Me	Tow ship to township Marathon		400	Ni
Fact Durban Rocks (Pty) Ltd	The event takes place during Fun or mid tourism season as well as during the December festive season. It is a major attraction for tourist to visit the City.	As per ECOD Report	2 100	Ni
Fiera Milano	Lion of ZuluLand	As per ECOD Report	25	Ni
Madlosi Entertainment	South African Music Conference and Mother of all Parties Event	As per MOA	1 200	2 632
World Gospel Power House	An annual gospel awards ceremony that attracts a large number of gospels followers across the country and beyond South Africa to converge to Durban.	As per ECOD Report	2 924	Ni
Grant in Aid- General	Various projects established to promote economic growth , as envisaged in Plan two of the IDP: Developing a prosperous, diverse economy and employment creation. The grants-in-aid program seeks to assist non profit organizations and bodies to undertake their work as defined in their constitution, thereby ultimately improving the quality of life of the people of those communities.	As per MOA	13 069	Ni
Poverty Relief - Other	Grants made to various social projects e.g burial assistance, and student assistance iro tuition fees at public higher education institutions.	None	2 215	Ni

Bursaries (Non-Employee)	Provide financial support to students at public higher education institutions who are studying towards careers identified by the Municipality as scarce and critical skills and those identified as top achievers within the eThekweni region from disadvantage schools	Per Bursary Agreement	4 850	7 500
Constituency Allowance (Political Parties)	Monthly payment to councillors political party affiliation in order for them to meet their office running expenses	Councillor must have a political party affiliation.	4 827	Ni
Green Corridor NPC	To co-manage the development and marketing of the Durban Green Corridor programme to promote leisure, sport and tourism social and economic development and to support the protection of the eco-system value of the sixteen river catchments.	As per MOA	5 014	Ni
SPCA	Financial contribution for provision of services for the collection of stray cats and dogs on behalf of the Municipality by the SPCA	As per MOA	2 480	Ni
SEDA Constructions	SEDA eThekweni is an agency engaged in providing support services to the emerging entrepreneurs of the city, specialising in the construction industry.	As per MOA	3 017	6 008
Use - It	Green Economy - Use It is a Non for profit entity that has been mandated to deliver of various programmes pertaining to the Waste Economy. The focus is of facilitation of waste materials beneficiation within the area of Ethekeeni and partnering with other National and Provincial bodies to deliver on the said mandate.	As per MOA	2 100	6 300
Durban Filmmart	The Durban Filmmart was formed in collaboration with UKZN and established a content development programme to run concurrently with the Durban International Film Festival. The key aim of the Durban FilmMart is to establish a platform for African filmmakers to create partnerships and further the development and production of African cinema.	As per MOA	1 700	Ni

Durban Automotive Cluster	The Durban Automotive Cluster is an institutionalised public private industry cluster which has been designed to enhance the competitiveness of the regional automotive and components manufacturer industry through cluster level activities amongst automotive and components manufacturers within the province of KwaZulu-Natal.	As per MOA	1 990	10 914
Smart exchange	SmartXchange is a technology innovation node and a dynamic, young business incubation centre established to promote and support the region's vision to be the technology hub of Africa. SmartXchange was established for the purpose of developing the business base of the Information & Communications Technology Industry in South Africa.	As per MOA	2 500	Ni
KZN Clothing Textile	An industry body for the clothing and textiles manufacturers, that delivers specific targeted programmes to enhance firm level productivity and efficiencies through world class manufacturing tools, value chain alignment, skills development and joint action.	As per MOA	2 010	5 594
Durban Chemicals Cluster	The purpose for the cluster organisation is to intervene in the chemical manufacturing industry as one of the prioritised manufacturing sectors to address market failures, foster systematic competitiveness, and enhance the firm-level competitiveness by engaging local firms in the initiative through collaboration between firms and supporting institutions.	As per MOA	2 251	12 213

eThekwni Maritime Cluster	The EtheKwini Maritime Cluster (EMC) was formed as and NPO to create a platform for maritime business, Government and agents at all spheres, institutions of higher learning to collaborate and cooperate in creating an enabling environment for stimulating economic growth, provide and retain job opportunities by collectively identify and address issues affecting the maritime industry and address them through implementing the following key programmes: (skills development, enterprise development, ship repair and boat building, industry promotion as well as coastal and marine tourism-cruise. The implementation of the EMC programmes is through the the eThekwni Municipality part funding of which other funding is raised from partnerships with other industry stakeholders.	As per MOA	3 000	7 600
Newlands Mashu Community Development	Agribusiness - This initiative focuses on the development and the growth of a new agricultural industry in EtheKwini called is Edamame Soybean	As per MOA	1 500	6 388
K-Cap	The KCAP through community based arts programmes is to discover, develop, expose and contribute artists towards sustainable employment opportunities and to provide creative, quality arts and entertainment to the community.	As per MOA	1 060	3 180
Durban Musical School	Durban Musical School through its programmes: education and promoting the development of orchestral, and other forms of music in the townships and rural areas of eThekwni; Encourage composers of music and generally to promote the teaching, knowledge and appreciation of music among all communities.	As per MOA	1 060	3 180
Bat Centre	Bat Centre is contributing meaningfully to the improvement of the quality of life of Artists and their communities at grass roots within eThekwni Municipal Area.	As per MOA	1 060	3 180

Centre for Creative Art	The UKZN-CCA shall apply the grant to the attainment of its main objectives to provide through medium of Literature, Poetry, Film, Music, Theatre and Dance: cultural vitality; education and development of the above and other forms of the Arts; present Time of the Writer, Poetry Africa, Jomba, the Durban International Film Festival and other concerts.	As per MOA	4 000	12 000
1000 Hills CTO	The role of CTOs is to market and promote specific local attractions, disseminate information in this regard and facilitate the participation of local communities in the tourism industry.	As per MOA	210	441
Clermont CTO		As per MOA	210	441
Durban Central CTO		As per MOA	210	441
Durban West CTO		As per MOA	210	441
Inanda CTO		As per MOA	210	441
Sapphire Coast CTO		As per MOA	210	441
South Durban (Sodurba)		As per MOA	210	441
Umlhanga CTO		As per MOA	210	441
Umlazi CTO		As per MOA	210	441
Umlhanga Rock Country club	Once off contribution to the Umlhanga Country Club to offset construction costs of new clubhouse buildings and facilities at Prestondale	As per council resolution	5 350	Nil
South African Cities Network	The South African Cities Network (SACN) is an established network of South African cities and partners that encourages the exchange of information, experience and best practices on urban development and city management.	None	3 534	13 344
Comrades Marathon Association	The Comrades Marathon Event	As per MOA	750	1 500
DUT	Collaboration in the area of research and teaching with regard to civil engineering infrastructure delivery.	As per MOA	500	Nil
Mangosuthu University of Technology	Collaboration in the area of research and teaching with regard to civil engineering infrastructure delivery.	As per MOA	500	Nil
University of Kwazulu-Natal	Collaboration in the area of research and teaching with regard to civil engineering infrastructure delivery.	As per MOA	1 000	Nil
Poverty Relief	Funding for Groceries iro the 73 Soup Kitchens in the Food Aid Program of Ethekwini Municipality	None	43 612	Nil
Tourism Authority	Tourism Indaba	As per MOA	3 333	4 695
			476 444	955 919

Appendix S: Declaration of returns not made in due time under MFMA S71

MFMA Section 71 Returns Not Made During 2017/18 According to Reporting Requirements	
Return	Reason Return has not been properly made on due date
All Returns were submitted on time to National Treasury	

Appendix T: National and Provincial Outcome for Local Government

National and Provincial Outcomes for Local Government		
Outcome/Output	Progress to date	Number of Percentage Achieved
All areas have been addressed		
*Note: Some of the outputs detailed on this table may have been reported elsewhere in the Annual Report. Kindly ensure that this information is consistent.		
		TS

Appendix U: eThekweni Municipality Organisational Performance

Scorecard Report as at 30 June 2018

SUMMARY OF PLANS						
Plan Number	Plan Name	Plan Owner	Total number of KPIs	Number of KPIs Achieved	Number of KPIs Not Achieved	Achievement Rate (%)
Plan 1	Develop and Sustain our Spatial, Natural and Built Environment	Phillip Sithole	9	9	0	100,00
Plan 2	Developing a Prosperous, Diverse Economy and Employment Creation	Phillip Sithole	17	12	5	70,59
Plan 3	Creating a Quality Living Environment	Philemon Mashoko/ Beryl Mphakathi/ Adrian Peters	35	26	9	74,29
Plan 4	Fostering a Socially Equitable Environment	Dumisani Bhengu	8	6	2	75,00
Plan 5	Supporting organisation design, human capital development and management	Dumisile Nene	16	12	4	75,00
Plan 6A	A vibrant and creative city - the foundation for sustainability and social cohesion	Dumisani Bhengu	6	5	1	83,33
Plan 6B	Stadia Facilities Unit	Dumisani Bhengu	3	1	2	33,33
Plan 7A	Good Governance and Responsive Local Government	Sipho Cele	7	6	1	85,71
Plan 7B	Good Governance and Responsive Local Government	Sipho Nzuza	5	5	0	100,00
Plan 8	Financially Accountable and Sustainable City	Dr Krish Kumar	11	8	3	72,73
Overall Achievement			117	90	27	76,92

SUMMARY OF PERFORMANCE FOR MUNICIPAL ENTITIES PLANS

Plan Name	Plan Owner	Total number of KPIs	Number of KPIs Achieved	Number of KPIs Not Achieved	Achievement Rate (%)
ICC	Phillip Sithole	19	14	5	73,68
Ushaka	Phillip Sithole	17	15	2	88,24

Plan 1: Develop and Sustain our Spatial, Natural and Built Environment
Plan Owner: Philip Sithole

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
1.1	Spatial Transformation and Integration	Lihle Phewa	Preparation, Approval and review of the SDF for the 17/18 Financial Year - (90%)	90% Compliance with SPLUMA	SDF Annual review completed by 30 June in compliance with SPLUMA	Review of the Spatial Development Framework for the 18/19 Financial Year by 30 June 2018 in compliance with SPLUMA (100%)	100% Compliance with SPLUMA	☺		
1.2	Implementation of the Durban Energy Office programmes	Magash Naidoo	80% implementation of Durban Energy Office programmes	80% implementation of Durban Energy Office programmes	80% implementation of Durban Energy Office programmes	68.8% implementation of Durban Energy Office programmes	68.8% implementation of Durban Energy Office programmes	☺		

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Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
1.3	99% of all applications finalised within statutory timeframe of 30 days for applications less than 500m2 and 60 days for applications greater than or equal to 500m2	Richard Holgate	99% of all applications finalised within statutory timeframe.	100% of all applications finalised within statutory timeframe.	99% of all building applications meet statutory timeframes	99% of all applications finalised within statutory timeframe.	100% of all applications finalised within statutory timeframe.	☺	The 2017/2018 World Bank City Reform efforts within each DAA region, are reflecting overall improvements in the processing of Building plan applications.	

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1.4	Production of the Annual State of Biodiversity (SOB) Report	Chumisa Thengwa	Produce the State of Biodiversity report by the 30th of June and upload the pdf report to the municipal website. - (100%)	100% (Biodiversity report produced and submitted)	Produce the State of Biodiversity report, submit to the Economic Development & Planning committee for noting and present at the Biodiversity forum by 30 June	Produce the State of Biodiversity report, submit to the Economic Development & Planning committee for noting and present at the Biodiversity forum by 30 June 2018 (100%)	100% (Biodiversity report produced and submitted)	☺		

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Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
1.5	A full Statement or spot Summons submitted to Metro Police within 21 days for 100% of all prosecuted cases	Abdull Domingo	A full Statement or spot Summons submitted to Metro Police within 21 days for 100% of cases	100% (Full Statement or spot Summons submitted to Metro Police within 21 days for all cases)	Full Statement or spot Summons submitted to Metro Police within 21 days for 100% of cases	A full Statement or spot Summons submitted to Metro Police within 21 days for 100% of cases	100% (Full Statement or spot Summons submitted to Metro Police within 21 days for all cases)	☺		
1.6	Identify and Facilitate advertising opportunities on Council owned land/Assets	Ntombi Maema	Two advertising tenders to be finalised represented as $25\% \times 4 = 100\%$	100% (Two tender finalised)	Four advertising tenders to be awarded (100%) by the end of the financial year	One advertising tender to be finalised (100%)	100% (One tender finalised)	☺		

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1.7	Inspect 100% of identified completed buildings in compliance with the approved plans are initiated for valuation and rating purposes within 30 days from date of entry on the valuations register.	Daniels Pentasaib	N/A	N/A	Inspect 100% of identified completed buildings in compliance with the approved plans and initiate the process for the valuation of buildings for rating purposes within 30 working days from date of entry on the valuations register.	Inspect 100% of identified completed buildings in compliance with the approved plans and initiate the process for the valuation of buildings for rating purposes within 30 working days from date of entry on the valuations register.	100% (Of all identified completed buildings inspected)	☺		
1.8	Implementation of the Durban Adaptation Charter (DAC)	Chumisa Thengwa	N/A	N/A	Implementation of the Durban Adaptation Charter (DAC) Hub and Compact approach by 30 June 2022.	Implement DAC work programme with local and international partners by the end of the financial year (100%)	100% (DAC work programme implemented)	☺		

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1.9	Facilitate the implementation of the Durban Climate Change Strategy.	Chumisa Thengwa	N/A	N/A	Support and monitor the implementation of the sector based implementation plans for the Durban Climate Change Strategy by 30 June 2022.	Develop sector based implementation plans for the Durban Climate Change Strategy by 30 June 2018. (100%)	100% (Sector based implementation plans developed)	☺		

Plan 2 :Developing a Prosperous, Diverse Economy and Employment Creation										
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2.1	Provide Economic Intelligence and a Strategic Economic Framework as outlined in the SDBIP 2017/18	Ajiv Maharaj	Achievement of SDBIP Targets during 2016/17 - (100%)	100%	An efficient and user-friendly economic database for the Municipality and public	100% Achievement of SDBIP Targets during 2017/18	100% achieved of SDBIP projects	☺		
2.2	Facilitation of the innovation Programme	Ajiv Maharaj	N/A	N/A	An innovation platform for the city where businesses and other stakeholders are able to improve their efficiency through partnerships and an increased awareness	100% Achievement of SDBIP Targets during 2017/18	100% achieved of SDBIP projects	☺		

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2.3	The number of jobs created through the municipality's local economic development initiatives including capital projects	Ajiv Maharaj	18386	25742.54	97,000 jobs created	19398 jobs created in 2017/18 through the Municipality's local economic development initiatives including capital projects	20255 jobs created	☺	KPI over achieved due to increase in capital spend in the 4th Quarter of the financial year	
2.4	Facilitate Private Sector Investment Development Partnerships through a set of projects as outlined in the SDBIP for 2017/18	Russell Curtis	Achievement of SDBIP Targets during 2016/17 - (100%)	100%	A city with an improved investment environment for domestic and foreign investors through streamlined administrative process, incentives provision and profitable investment opportunities	Achievement of the projects as outlined in the SDBIP for 2017/18 (80.56%)	80.56% achieved of SDBIP projects	☺		

2.5	Implement a set of key Catalytic Projects in the eThekweni Municipal region as outlined in the SDBIP for 2017/18.	Philip Sithole	N/A	N/A	A city with a boosted economy from the inception of a key set of catalytic projects in the affected regions.	Achievement of the projects as outlined in the SDBIP for 2017/18 (85%)	83% achieved of SDBIP projects	☹	<p>2.4.1 Point Waterfront The Water main Upgrade Project did not meet its target of being awarded in Q4 owing to delays post detail design sign-off, as it went through further design iterations at the request of EWS altering the scope of work and revisiting the layout drawings which were necessary to entertain but however caused significant delays on the finalisation of the tender documentation and procurement process.</p> <p>2.4.2 Warwick Junction The target was not achieved due to the fact that the approval of building plans is not within our</p>	<p>2.4.1 Point Waterfront The Q4 target was award of contract with evidence being the minutes of BAC. However, the delays have resulted in us only submitting to Bid Specification committee for Approval and advertising on 06 August 2018 with the item approved for advert 24 August 2018.</p> <p>2.4.2 Warwick Junction This will be corrected by ensuring that all deliverables on all projects are things that are within our control. We will liaise with Development Planning and the Architect appointed to draw the plans to sort out the referral items.</p> <p>2.4.5 Keystone Phase Two Co-operation</p>
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									control but is controlled by Development Planning.	between departments to be improved through Service Level Agreements.
									2.4.5 Keystone Phase Two Final attempt to achieve Sec 36 approval by BAC was not supported by implementing departments despite Council resolution supporting the Sec 36, as a result BAC report was not considered .	

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2.6	Implement a set of key Strategic Projects for Urban Renewal in the eThekweni Municipal region as outlined in the SDBIP for 2017/18	Philip Sithole	Achievement of SDBIP Targets during 2016/17 - (63.13%)	60.6%	An improvement in the residential and business environment from the implementation of a set of urban renewal projects in the affected locations	Achievement of the projects as outlined in the SDBIP for 2017/18 (90%)	75% achieved of SDBIP projects	⊖	Comment Rolled up From SPJ: Beachfront upgrade - Beachfront Office Development Project put on hold because of the "Inner City Office Rationalisation and Optimisation" run from City Architects and Real Estate. The office proposal will be included as part of the broader office needs in the inner city. Project will be re-introduced on SDBIP once office rationalisation programme has been finalised. this has led to targets for Q3 & 4 not being met.	Comment Rolled up From SPJ: Beachfront upgrade - Programme Manager is liaising with DCM to resolve

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2.7	Trade and Sector Development through sectors that promote economic growth and create jobs through providing support for prioritized sectors in the eThekweni Municipal region	Takalani Rathiyaya	Achievement of SDBIP Targets during 2016/17 - (100%)	100%	Growth in the key prioritised sectors as identified in the enterprise sector development programme	100% Achievement of SDBIP Targets during 2017/18	99.91% achieved of SDBIP projects	⊖	There was a slight change in the focus of the project. However, it was too late for a change to the target to be effected during Mid-term amendments.	This has been incorporated into the 2018/19 SDBIP.

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2.8	Facilitating Industry Skills and Economic inclusion as outlined through the projects in the SDBIP for 2017/18	Thulani Nzama	Achievements of SDBIP Targets during 2016/17 - (100%)	100%	A larger and more skilled workforce in the eThekweni municipal region	100% Achievement of SDBIP Targets during 2017/18	100% achieved of SDBIP projects	☺		
2.9	Managing the Informal Economy by providing an enabling platform for the local informal sector by implementing a set of operational and management initiatives as outlined in the SDBIP for 2017/18	Thulani Nzama	Achievement of SDBIP Targets during 2016/17 - (85%)	85%	A competitive informal economy with approved product quality and bigger market	100% Achievement of SDBIP Targets during 2017/18	100% achieved of SDBIP projects	☺		

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2.10	Managing the Bulk Fresh Produce Market by providing an enabling platform for businesses in the Fresh Produce sector as outlined in the SDBIP for 2017/18	Philip Sithole	Achievement of SDBIP Targets during 2016/17 - (80%)	74.3%	An efficient, enabling platform for businesses in the Fresh Produce industry	43.75% Achievement of SDBIP Targets during 2017/18	43.75% achieved of SDBIP projects	☺		
2.11	The number of work opportunities (i.e. 230 person days - FTES) created through the municipal capital and operating budget per line dept. this year	Sbu Chamane	6200	6842.24	38412 work opportunities created	8208 work opportunities created	10188 work opportunities created	☺	Comment Rolled up From PJ: There was an additional R35 Million Operating budget that was acquired through an adjustment budget to add more people on the programme. In addition there has been a lot of under reporting by implementing Departments	

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									and after extensive engagements there was a lot of improvement .	
2.12	Enterprise Development	Thulani Nzama	N/A	N/A	An increase in the number of small businesses in the eThekweni municipal region with enhanced business linkages.	100% Achievement of SDBIP Targets during 2017/18	100% achieved of SDBIP projects	😊		

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2.13	Support, market and promote the local film industry via the projects as outlined in the SDBIP for 2017/18	Antoinette Monty	Achievement of SDBIP Targets during 2016/17 - (100%)	100%	Growth in opportunities for trade and service provision from a competitive film industry in the eThekweni municipal region	100% Achievement of SDBIP Targets during 2017/18	100% achieved of SDBIP projects	☺		
2.14	Percentage of applicants notified of Business Licence application outcome within 30 days of receipt of application.	Thulani Nzama	N/A	N/A	90% of applicants notified of the outcome of the Business Licence Application within 30 working days of receipt of the application	90% of applicants notified of the outcome of the Business Licence Application within 30 working days of receipt of the application	94% of applicants notified of the outcome of the Business Licence Application within 30 working days of receipt of the application	☺	Comment Rolled up From PJ: -The licensing process is interdependent to other internal department. The recently signed SLAs are being complied with and we are able to process license applications within the prescribed period.	

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2.15	Support the Tourism Sector through the creation of global awareness, partnership-building and an increase of spending and visitor numbers in the eThekweni Municipal region, as outlined in the SDBIP for 2017/18	Philip Sithole	Achievement of SDBIP Targets during 2016/17 - (100%)	92.63%	An attractive cosmopolitan location for domestic and international tourists.	100% Achievement of SDBIP Targets during 2017/18	100% achieved of SDBIP projects	☺		
2.16	Facilitating Nodal Development through the implementation of specific capital projects in the eThekweni Municipal region	Nkululeko Mkhize	Achievement of SDBIP Targets during 2016/17 - (81.25%)	68.8%	An improvement in the economic and social infrastructure in the townships as prioritised for economic development in the 2017_22 SDBIP	Achievement of the projects as outlined in the SDBIP for 2017/18 (75%)	59% achieved of SDBIP projects	☹	Bluff Beaches: Project completion was delayed due to contractor performance and the completion was only achieved in the 2018/19 financial year.	Capacity issues have been addressed. A new Senior Project Manager has been appointed, and work is now underway.

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2.17	Facilitating Sustainable livelihoods as outlined through the projects in the SDBIP for 2017/18	Nkululeko Mkhize	N/A	N/A	An increase in business opportunities for sustainable livelihoods in the townships as prioritised for the development of industry skills and economic inclusion in the SDBIP 2017_22	Achievement of the projects as outlined in the SDBIP for 2017/18 (75%)	63% achieved of SDBIP projects	⊖	Poor contractor performance.	Issues have been addressed. The project was closed off after financial year end. The completion certificate will be issued in 2018/19 financial year.

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3.1	The percentage of households with access to a basic level of electricity	Jay Kalichuran	75.34%	75.1%	83% households with access to a basic level of electricity	76.4% households with access to a basic level of electricity by June 2018.	76.3% households have access to basic level of electricity)	☹	Delays in supply of meters from Suppliers & House Services contract expired	<p>Meter delivery is now resolved; Surveyors producing layouts for informal settlements; Reticulation contract approved at BAC on 25/07/2018</p> <p>Project material stock is tracked weekly via a project's material report submitted every Friday to the Project Executive.</p>

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3.2	The percentage of households with access to a basic level of Solid Waste Removal	Raymond Rampersad	100%	100%	100% of households with access to a basic level of Solid Waste Removal.	100% of targeted households with access to a basic level of Solid Waste Removal.	109% households have access to basic level of Solid Waste Removal)	☺	The baseline and target is calculated in line with 2011 Consumer Unit model figures. However, the actual reported is based on current service delivery. Hence the Unit has over-achieved on this project	
3.3	The percentage of households with access to AT LEAST a basic level of Water	Vusumuzi Mkhwanazi	94.01%	94.98%	100% of households with access to AT LEAST a basic level of Water	99.47% of households with access to AT LEAST a basic level of Water	99.38% households have access to basic level of water	☹	There were delays on the design and construction of CAB's. Interference from local forums. Locations not conducive to infrastructure with rocky ground and steep terrain. Encroachment of informal dwellings. Water supply and pressure	Verification of new water connection data will be carried out on a monthly basis. In order to mitigate constraints with CAB rollout, the programme stakeholders continually put measures into place to avoid the challenges mentioned. There are numerous

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									challenges in some areas.	procedures and processes that form part of the existing specification in an effort to meet delivery targets.
3.4	The percentage of households with access to AT LEAST a basic level of Sanitation	Vusumuzi Mkhwanazi	84.34%	85.03%	92.37% of households with access to AT LEAST a basic level of Sanitation	86.01% of households with access to AT LEAST a basic level of Sanitation	88.34% of households have access to basic level of sanitation	☺	New RDP houses were included and that resulted into an overachievement.	

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3.5	The percentage of estimated indigent households collecting free basic services: Electricity	Leshan Moodliar	20.82%	16.23%	16% of estimated indigent households collecting free basic services: Electricity	16% of estimated indigent households collecting free basic services: Electricity (per quarter)	17.53% of Indigent households collecting free basic services: Electricity	☺	The has been an increase in the number of informal settlements being electrified through the electrification of informal settlements project which has led to more indigent households receiving FBE.	
3.6	The percentage of estimated indigent households provided with free basic services: Sanitation	Vusumuzi Mkhwanazi	65.99%	67.31%	78.99% of estimated indigent households provided with free basic services: Sanitation	68.81% of estimated indigent households provided with free basic services: Sanitation	72.62% of Indigent households provided with free basic services: Sanitation	☺	New RDP houses were included and that resulted into an overachievement.	

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3.7	The percentage of estimated indigent households with access to free basic services: Water	Vusumuzi Mkhwanazi	90.64%	91.81%	100% of estimated indigent households with access to a free basic services: Water	93.29% of estimated indigent households with access to a free basic services: Water	96.73% of Indigent Households with access to free basic services: Water	😊	New water connections and new RDP houses were included and that resulted into an overachievement.	
3.8	100% of estimated indigent households with access to a refuse removal service once a week.	Raymond Rampersad	100%	100%	100% of estimated indigent households with access to a refuse removal service once a week	100% of estimated indigent households with access to a refuse removal service once a week	101% of Indigent Households with access to a refuse removal service once a week	😊	The baseline and target is calculated in line with 2011 Consumer Unit model figures. However, the actual reported is based on current service delivery. Hence the Unit has over-achieved on this project	

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3.9	The number of consumer units provided with access to AT LEAST a FREE basic level of SANITATION by means of a UD toilet, an existing VIP or, for informal settlements, by means of a toilet/ablution block within 200m.	Vusumuzi Mkhwanazi	11500	17973	67500 consumer units provided with access to AT LEAST a FREE basic level of SANITATION	7500 consumer units provided with access to AT LEAST a FREE basic level of SANITATION	10368 consumer units provided with access to AT LEAST a FREE basic level of SANITATION	☺	The New Houses handed over by housing unit are now counted as new sewer connections - this was previously not done. This has increased the count.	

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3.10	The number of consumer units provided with access to AT LEAST a FREE basic level of potable WATER either by means of an individual h.h. yard supply (ground tank or metered flow limiter connected to a yard tap) or, for informal settlements, by a standpipe within 200m.	Vusumuzi Mkhwanazi	10000	16899	50000 consumer units provided with access to AT LEAST a FREE basic level of potable WATER	17500 consumer units provided with access to AT LEAST a FREE basic level of potable WATER	14275 consumer units provided with access to AT LEAST a FREE basic level of potable WATER	☹	There were delays on the design and construction of CAB's. Interference from local forums. Locations not conducive to infrastructure with rocky ground and steep terrain. Encroachment of informal dwellings. Water supply and pressure challenges in some areas.	Verification of new water connection data will be carried out on a monthly basis. In order to mitigate constraints with CAB rollout, the programme stakeholders continually put measures into place to avoid the challenges mentioned. There are numerous procedures and processes that form part of the existing specification in an effort to meet delivery targets.

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3.11	The Cumulative number of consumer units collecting FREE BASIC ELECTRICITY	Siyethemba Luthuli	1473252	1148490	1 117 625 consumer units collecting FREE BASIC ELECTRICITY	1 101 705 consumer units collecting FREE BASIC ELECTRICITY	1240528 consumer units collecting FREE BASIC ELECTRICITY	☺	The has been an increase in the number of informal settlements being electrified through the electrification of informal settlements project which has led to more indigent households receiving FBE.	
3.12	The number of connections energised and captured on Ellipse, for provision of prepaid electricity to residential dwellings	Jay Kalichuran	15000	12484	74 000 connections energised and captured on Ellipse, for provision of prepaid electricity	12 000 connections energised and captured on Ellipse, for provision of prepaid electricity	9873 connections energised and captured on Ellipse, for provision of prepaid electricity	☹	Delays in supply of meters from Suppliers & House Services contract expired	Meter delivery is now resolved; Surveyors producing layouts for informal settlements; Reticulation contract approved at BAC on 25/07/2018 Project material stock is tracked weekly via a project's material report

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										submitted every Friday to the Project Executive.
3.13	The number of connections energised and captured on Ellipse, for provision of conventional electricity to residential dwellings	Jay Kalichuran	800	863	4390 connections energised and captured on Ellipse, for provision of conventional electricity	800 connections energised and captured on Ellipse, for provision of conventional electricity	860 connections energised and captured on Ellipse, for provision of conventional electricity	☺	The achievement is dependent upon customer applications and whether customers meet requirements. More customers met requirements than anticipated.	

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Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
3.14	The number of subsidized HOUSES constructed/ built.	Bheki Shabane	5000	5003	25000 Houses constructed/ built.	4200 Houses constructed/ built.	4364 Houses constructed/ built.	😊	Over Achieved due to: Panel for contractors and professionals are now in place & SCM processes are being fast tracked. Some projects handed over to Housing Engineering in order to fast track the installation of services. Security has been sourced to all affected areas.	
3.15	The number of new fully subsidized housing units allocated	Dumezweni Ngema	4800	6012	27500 new fully subsidized housing units allocated.	4988 new fully subsidized housing units allocated.	6284 new fully subsidized housing units allocated.	😊	Allocations has worked all week-ends to do hand-over and collections of handover forms (D4's) hence over performance.	

Plan 3: Creating a Quality Living environment
Plan Owner: Sipho Nzuza

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
3.16	Hectares of land acquired for Housing	Dumisile Malambe	150	254.34	2500 Hectares of land acquired for subsidized Housing	300 Hectares of land acquired for subsidized Housing	338.65 Hectares of land acquired for subsidized Housing	☺	38.65 hectares were over achieved because there were funds made available in May/June for purchasing of land.	
3.17	The number of households benefitting from serviced sites handed over for subsidised housing units	Ashley Roopnarian	2000	1860	30000 households benefitting from serviced sites handed over for subsidised housing units	1500 households benefitting from serviced sites handed over for subsidised housing units	1638 households benefitting from serviced sites handed over for subsidised housing units	☺	Over achieved due to appointment of contractors in final quarter. This has assisted in increasing the number of service sites.	

Plan 3: Creating a Quality Living environment										
Plan Owner: Sipho Nzuza										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
3.18	CRU's - upgrading, refurbishment, and construction of new family units (at existing hostels).	Walter Ngubane	70	35	600 family units upgraded/ refurbished/ constructed	60 family units upgraded/ refurbished/ constructed	46 family units upgraded/ refurbished/ constructed	☹	The reason for underachievement in the construction of new units was because the contractor was delayed due to social issues. (Social Issues were pertaining to the new demarcation in which the project fell into after the August Local Government elections. A new Ward councilor was appointed and that delayed the construction.) The impact on reduced performance was also linked to the reduction of grant funding from KZN DoHS.	48 units are 80 % complete as of end June and will be completed early in the new financial year. As a result of difficulties in collecting revenue, the focus on the CRU moving forward is to focus of the refurbishment of existing stock and make it habitable for tenant to be attractive to rent appropriation.

Plan 3: Creating a Quality Living environment										
Plan Owner: Sipho Nzuza										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
3.19	Upgrade and refurbishment of pre-1994 housing units.	Visvanathan Moodley	600	749	800 housing units upgraded and refurbished	275 family units upgraded/refurbished/constructed	280 family units upgraded/refurbished/constructed	☺	To date there is/was a backlog of completion certificates to be signed off by Province of which most were signed off in 2015/16 financial year, some signed off in 2016/17 year and Province is currently busy signing off the balance. The reason for over-achievement is due to the completion certificates being signed off by Province.	

Plan 3: Creating a Quality Living environment										
Plan Owner: Sipho Nzuza										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
3.20	Sale of rental and Breaking New Ground (BNG) housing	Dumezweni Ngema	N/A	N/A	22500 housing units sold	4500 housing units sold	3526 housing units sold	☹	1. Outstanding high loan balances on suspensive sales units 2. Outstanding Regularisation of illegals 3. Poor responses from Beneficiaries when invited to sign Sales documents. 4. Expired Project contracts 5. Outstanding Sectionalisation of flat units 6. Projects not on DOHS Business plan 7. Houses handed over to Beneficiaries prior to signing 8. Tenants not interested to take ownership of rental units	1. A progressive Sales Compagne is in place to pay off balances 2. Verification of Beneficiaries in occupation of the houses in progress 3. Secondment of staff to Regional Offices. 4. Extension of contracts being prioritized by Projects Dept. 5. A request for funding has been submitted to Province 6. Alignment of EThekweni Business plan with DOHS Business plan 7. Sign up Beneficiaries prior to relocation to new houses.

Plan 3: Creating a Quality Living environment										
Plan Owner: Sipho Nzuza										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
										8. High level decision required as to whether to keep units as rental stock.

Plan 3: Creating a Quality Living environment										
Plan Owner: Sipho Nzuza										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
3.21	Draft the 17/18 Strategic Infrastructure Asset Management Plan (SIAMP) to inform the 19/20 MTREF.	David Lievaart	100%	50%	Annually reviewed, updated and completed SIAMP	Completed 17/18 SIAMP (100%)	100% (Strategic Infrastructure Asset Management Plan (SIAMP)) completed	☺		
3.22	Built Environment Performance Plan produced in accordance with National Treasury guidelines and timeframes	Ken Breetzke	100%	100%	Built Environment Performance Plan for the next financial year produced and submitted to National Treasury (100%)	Built Environment Performance Plan for the next financial year produced and submitted to National Treasury (100%)	100% (Built Environment Performance Plan for the next financial year produced and submitted)	☺		

Plan 3: Creating a Quality Living environment										
Plan Owner: Sipho Nzuza										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
3.23	Solid WASTE RECYCLED as a % of total waste disposed at municipal land fill sites.	Robert Abbu	8%	6.8%	10% solid waste recycled as a percentage of total waste disposed	6.5% solid waste recycled as a percentage of total waste disposed	7.4% solid waste recycled as a percentage of total waste disposed	☺	This is due to increased volumes of builders rubble and higher volumes from Hillcrest, Westemead and Westville Buy Back Centres.	
3.24	The number of properties below the eThekweni defined level of service provided with STORMWATER solutions.	Randeer Kasserchun	640	822	1968 properties below the eThekweni defined level of service provided with STORMWATER solutions.	500 properties below the eThekweni defined level of service provided with STORMWATER solutions.	641 properties below the eThekweni defined level of service provided with STORMWATER solutions.	☺	Over-achievement due to previous and current years storm damage which was not part of the original target.	
3.25	The number of km of SIDEWALK constructed.	David Thomas	26.5 kms	27.82 kms	221.7kms of new sidewalk constructed	70kms of new sidewalk constructed	70.01 kms of new sidewalk constructed	☺		

Plan 3: Creating a Quality Living environment										
Plan Owner: Sipho Nzuza										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
3.26	The km of unsurfaced ROAD converted to surfaced.	David Thomas	12.8 kms	14.61 kms	68.95kms of unsurfaced road converted to surfaced	10kms of unsurfaced road converted to surfaced	21.17 kms of unsurfaced road converted to surfaced	☺	Over achievement due to additional gravel to surface upgrades undertaken as part of the Community Infrastructure Programme	

Plan 3: Creating a Quality Living environment										
Plan Owner: Sipho Nzuza										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
3.27	Electricity losses (technical and non-technical) as a % of electricity purchases.	Siyethemba Luthuli	6%	7.64%	8.5% electricity lost as a percentage of electricity purchased	8.5% electricity lost as a percentage of electricity purchased	7.11% electricity lost as a percentage of electricity purchased	☺	The reporting systems have stabilised and the data has become more accurate	

Plan 3: Creating a Quality Living environment										
Plan Owner: Sipho Nzuza										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
3.28	The percentage of non-revenue water loss.	Simon Scruton	41.6%	35.52%	27% non-revenue water loss	39 % non-revenue water loss	32.7% non-revenue water loss	☹	Indicator changed due to Internal Audit findings- the evidence provided could not be reconciled to the figure reported.	An investigation is currently underway to determine the cause of discrepancies in the figures. Thereafter, corrective actions will be taken.
3.29	Number of Title Deeds submitted to the Deeds Registrar for registration for subsidized housing	Mkhomazi Sibisi	400	669	17500 Title Deeds submitted to the Deeds Registrar for registration for subsidized housing	2000 Title Deeds submitted to the Deeds Registrar for registration for subsidized housing	2299 Title Deeds submitted to the Deeds Registrar for registration for subsidized housing	☺	Over achieved. 1. Title deeds Steering Committee established, comprising of Deeds Office, COGTA, Province, Conveyancers and Surveyor Generals Office to fast track Township establishment issues. 2. The agreed fee for the levy clearance	

Plan 3: Creating a Quality Living environment										
Plan Owner: Sipho Nzuza										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
									certificates with Managing Agencies to expedite the process 3. Appointment of Social Facilitators by Province	
3.30	Number of Title Deeds issued to owners for subsidized housing	Mkhomazi Sibisi	400	462	20000 Title Deeds issued to owners for subsidized housing	1250 Title Deeds issued to owners for subsidized housing	1284 Title Deeds issued to owners for subsidized housing	😊	Over-achieved because a programme to issue title deeds is now in place and methods of inviting beneficiaries have been reviewed	

Plan 3: Creating a Quality Living environment										
Plan Owner: Sipho Nzuza										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
3.31	The number of households benefitting from Incremental Services to Informal Settlements – Roads and Footpaths access with Stormwater controls.	Douglas Jooste	N/A	N/A	25000 households benefitting from Incremental Services to Informal Settlements – Roads and Footpaths access with Stormwater controls.	5000 households benefitting from Incremental Services to Informal Settlements – Roads and Footpaths access with Stormwater controls.	6299 households benefitting from Incremental Services to Informal Settlements – Roads and Footpaths access with Stormwater controls.	😊	Over achieved due to some carry over of projects from 16/17 financial year which have now been completed and provided additional households. Households are only claimed on contract completion, no interim households are claimed during construction as the whole settlement benefits from services once complete.	

Plan 3: Creating a Quality Living environment										
Plan Owner: Sipho Nzuza										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
3.32	Public Transport Services. No. of passengers (People with disabilities) using accessible scheduled public transport services.	Mlungisi Wosiyana	50000	73497	271 589 People with disabilities using accessible scheduled public transport services.	50 000 People with disabilities using accessible scheduled public transport services.	74983 People with disabilities using accessible scheduled public transport services.	☺	Bus service stabilised... no major disruptions as in prior years	
3.33	Public Transport Services. No. of passengers using scheduled public transport services.	Mlungisi Wosiyana	31000000	27 685 479	120 052 500 passengers using scheduled public transport services.	29 000 000 passengers using scheduled public transport services.	30868077 passengers using scheduled public transport services.	☺	Bus service stabilised... no major disruptions as in prior years	

Plan 3: Creating a Quality Living environment										
Plan Owner: Sipho Nzuza										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
3.34	Implement an effective public transport plan for the Municipality	Thami Manyathi	100%	97.58%	100% Implementation of Transport Plan	67.35% Implementation of the revised transport Plan	23% Implementation of the revised transport Plan	☹		

Plan 3: Creating a Quality Living environment
Plan Owner: Sipho Nzuza

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
3.35	Improve Road Safety by Conducting Road Safety Awareness at schools and implementation of speed humps & intersection improvements	Carlos Esteves	66	65	100 programmes conducted to improve road safety	99 programmes conducted to improve road safety	91 programmes conducted to improve road safety	☹	Community protest and work stoppage. Situation escalated to ward councillor for intervention but without success. Rollout of speed humps require consideration of traffic calming policy and detailed public consultation process.	Work stoppages cannot be predicted and beyond control of implementing department
	The number of PUBLIC TRANSPORT RANKS constructed.	Carlos Esteves			6 PUBLIC TRANSPORT RANKS constructed.	2 PUBLIC TRANSPORT RANKS constructed.	Deleted during MTA's		The target will not be achieved, as there were delays in the process for the appointment of a service provider.	Deleted during MTA's

Plan 4: Fostering a Socially Equitable Environment										
Plan Owner: Dumisani Bhengu										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
4.1	Compliance with SAPS Amendment Act 1998 with regard to mandated functions of Crime Prevention, Traffic Management and Bylaw Enforcement	Steve Middleton	100% implementation of 3 Projects identified in the SDBIP	100%	100% implementation of Projects identified in the SDBIP in compliance with SAPS amendment Act 1999	100% implementation of 3 Projects identified in the SDBIP in compliance with SAPS amendment Act 1998 during 2017/2018	100% of SDBIP projects achieved	☺		
4.2	Implement projects in relation to the Social, Situational, Crime Prevention strategies and urban safety management of the built environment throughout the eThekweni Municipal Area	Bongumusa Zondo	90% Implementation of all budgeted projects	91.07%	Implement 100% of all budgeted projects	78.57% of SDBIP projects implemented	78.57% of SDBIP projects achieved	☺		

Plan 4: Fostering a Socially Equitable Environment
Plan Owner: Dumisani Bhengu

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
4.3	Implementation of 4 projects in relation to promoting safety of communities within the Ethekwini Municipal Area in support of emergency and essential services	Vincent Ngubane	Implementation of 4 projects within the SDBIP - 100%	100%	100% Implementation of the SDBIP	100% Implementation of 4 projects within the SDBIP during the financial year	87.5% of SDBIP projects achieved	⊖	The Disaster Management advisory forum is currently in abeyance due to a decision to review its membership and extend it to external role - players. Thus the plans have not been submitted to the forum.	A new term of reference has been drafted and a report has been compiled for council submission.

Plan 4: Fostering a Socially Equitable Environment										
Plan Owner: Dumisani Bhengu										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
4.4	Loss of life from fire and other emergencies per 100 000 population served	Enock Mchunu	Index of 1.3	Index of 1.37	Loss of life index of 1.25 by 30 June 2022	Loss of life index of 1.29 for 2017/18	Loss of life Index of 1.59	⊖	<p>Total of 60 deaths as a consequence of fire, 30 of which occurred in informal dwellings, 9 as a consequence of vehicles involved in MVCs catching alight and a further 5 where there were suspicions of criminal intent.</p> <p>Fire and Emergency Services is not the only unit that deals with the mitigation of an Emergency situation, particularly on</p>	Responding to fires in informal dwellings present specific challenges. Dwellings can be difficult to access due to the nature of informal settlements, and occupants are often reliant upon alternate energy sources increasing the risk of fatality in the event of a fire breaking out. Fatalities linked to MVCs are linked to road safety more than fire safety initiatives.

									<p>matter linked to unrest (informal settlements). The dependency on other enforcement agencies (SAPS and Metro Police) together post emergency cleaning (DSW) are increasing due to the safety issues experienced by Fire Fighters (who are not trained to deal with crowd control) and their respective resources.</p> <p>Therefore, discussions with multi stakehold</p>	
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									ers are ongoing on improvement plans.	
4.5	Value of property destroyed by fire per R1000 of rateable value	Enock Mchunu	R0.95	R0.63	Value of property destroyed of R0.90 by 30 June 2022	Value of property destroyed of R0.94 for 2017/2018	Value of property destroyed was R0.68 per R1000	☺		

Plan 4: Fostering a Socially Equitable Environment										
Plan Owner: Dumisani Bhengu										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
4.6	Ensure the safety and security of municipal councillors, officials and municipal assets	Dumisani Bhengu	88.33 % Implementation of SDBIP Projects	99.52%	88.33 % Implementation of Projects linked to the SDBIP to ensure safety and security of municipal councillors, officials and municipal assets	85% of SDBIP projects implemented	88.93% of SDBIP projects achieved	☺	Achieved by ensuring that security services are in accordance to contractual obligations	
4.7	Number of Clinics reaching the ideal clinic status as required by the National Department of Health	Zinhle Buthelezi	10 Clinics	30	30 clinics reaching ideal clinic status by 30 June 2022	5 clinic reaching ideal clinic status by 30 June 2018	13 clinics reached ideal clinic status	☺	Quality improvement plans were implemented. Support from National and Provincial Department of Health and NGOs in vital medical equipment provision.	

Plan 4: Fostering a Socially Equitable Environment										
Plan Owner: Dumisani Bhengu										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
4.8	Percentage adherence to the 6 targeted projects of the National Environmental Health Services Norms and Standards	Zinhle Buthelezi	60%	73%	75% adherence to National Environment Health Service Norms and Standards by 30 June 2022	65% adherence to National Environment Health Services Norms and Standards by 30 June 2018	78.6% adherence to National Environment Health Services Norms and Standards	☺	Over achieved due to improvements to infrastructure, delivery of outstanding fixed assets (eg. laptops), and increases in resources.	
4.4.c)	Implementation of the SDBIP Projects with regards to reducing the incidence and severity of fire and other emergencies	Enock Mchunu	N/A	N/A	95% implementation of projects to reduce the incidence and severity of fire and other emergencies	95% implementation of projects to reduce the incidence and severity of fire and other emergencies for 2017/18	Deleted during MTA's	Deleted during MTA's	The projects relating to this KPI are retained on the SDBIP. The KPI is not strategic and is therefore being deleted. The projects are still linked to the KPIs	Deleted during MTA's

Plan 4: Fostering a Socially Equitable Environment										
Plan Owner: Dumisani Bhengu										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
									for loss of life and loss of property.	

Plan 5: Supporting organisation design ,human capital development and Management
Plan Owner: Dumisile Nene

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
5.1	Percentage implementation of the Work Place Skills Plan	Mpilo Ngubane	85% implementation of the Work Place Skills Plan	85% implementation of the Work Place Skills Plan	100% implementation of the Work Place Skills Plan	100% implementation of the Work Place Skills Plan	100% implementation of the Work Place Skills Plan	☺		
5.2	Compilation and submission of the Workplace Skills Plan to LGSETA by 30 April.	Mpilo Ngubane	100 % submission of completed workplace skills Plan by 30 april	100% (Workplace Skills Plan to LGSETA compiled and submitted)	100% %Submission of completed Workplace Skills Plan by 30 April	100 %Submission of completed Workplace Skills Plan by 30 April	100% (Workplace Skills Plan to LGSETA compiled and submitted)	☺		
5.3	The percentage of a Municipality's budget actual spent on implementing its workplace skills plan	Mpilo Ngubane	1% of payroll spent on implementing its workplace skills plan	1.4% of payroll spent on implementing its workplace skills plan	1% of payroll spent on implementing its workplace skills plan	1% of payroll spent on implementing its workplace skills plan	1% of payroll spent on implementing its workplace skills plan	☺		
5.4	Provide Talent Management and Succession Planning guidelines and recommendations	Pam Matthias	100 % completion of SDBIP projects.	100% completion of SDBIP projects.	100% completion of SDBIP projects.	100% completion of SDBIP projects.	100% completion of SDBIP projects.	☺		

Plan 5: Supporting organisation design ,human capital development and Management

Plan Owner: Dumisile Nene

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
5.5	Interventions introduced to improve productivity, efficiency and effectiveness within the municipality	Maqhawe Mthembu	91 Interventions by 30 June 2017	96 Interventions introduced	100 Interventions by 30 June 2022	96 Interventions by 30 June 2018	96 Interventions introduced	☺		
5.6	Create an integrated HR System to provide for accurate and timeous remuneration of employees and enable management to effectively manage their employees.	Patricia Pinky Kunene	100 % execution of SDBIP projects	100% execution of SDBIP projects	100% execution of SDBIP projects	100 % execution of SDBIP projects	100% execution of SDBIP projects	☺		
5.7	Provide accurate, valid and reliable human capital metrics, analysis and recommendations	Emma Caruth	100% execution of SDBIP projects	100% execution of SDBIP projects	100% execution of SDBIP projects	100% execution of SDBIP projects	100% execution of SDBIP projects	☺		

Plan 5: Supporting organisation design ,human capital development and Management
Plan Owner: Dumisile Nene

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
5.8	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan: People With Dissabilities (PWD)	Rose-Mary Makhanya	28 People With Dissabilities (PWD) employed	16 People With Dissabilities (PWD) employed	28 People With Dissabilities (PWD) employed	28 People With Dissabilities (PWD) employed	18 People With Dissabilities (PWD) employed	☐	1. Long turn-around time of the filling of vacancies 2. Delays in obtaining approval and direction from line. 3. Non availability of interview panel members (from line department, schedules are busy). Recommended candidates do not meet EE requirements. 4. Delays in the final decision regarding the recommended candidate being made 5. High number of non-appointments resulting to re-advertisement of vacancies 6. Insufficient	1. Review the KPA of all HR managers and above. 2. Review the recruitment and selection policy by 28 February 2019, to include the clause that if a post is not filled in that year. It should automatically lose funding. identify and committed positions to meet EE targets. 3. Recruitment files should go via the employment equity office for verification before being approved

Plan 5: Supporting organisation design ,human capital development and Management										
Plan Owner: Dumisile Nene										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Perform a nce as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performanc e as at 30 June 2018	Indicat or	Reason For Variance	Measures Taken to Improve Performance
									talent pool for scarce skills positions	

Plan 5: Supporting organisation design ,human capital development and Management
Plan Owner: Dumisile Nene

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
5.9	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan: FEMALE TOP	Rose-Mary Makhanya	Female Top =37	36 females employed in the top level of management	44 females employed in the top level of management	44 females employed in the top level of management by 30 June 2018	37 females employed in the top level of management	☐	1. Long turn-around time of the filling of vacancies 2. Delays in obtaining approval and direction from line. 3. Non availability of interview panel members (from line department, schedules are busy). Recommended candidates do not meet EE requirements. 4. Delays in the final decision regarding the recommended candidate being made 5. High number of non-appointments resulting to re-advertisement of vacancies 6. Insufficient	1. Review the KPA of all HR managers and above. 2. Review the recruitment and selection policy by 28 February 2019, to include the clause that if a post is not filled in that year. It should automatically lose funding. identify and committed positions to meet EE targets. 3. Recruitment files should go via the employment equity office for verification before being approved

Plan 5: Supporting organisation design ,human capital development and Management										
Plan Owner: Dumisile Nene										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
									talent pool for scarce skills positions	

Plan 5: Supporting organisation design ,human capital development and Management

Plan Owner: Dumisile Nene

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
5.10	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan: FEMALE SENIOR	Rose-Mary Makhanya	Female Senior=132	122 females employed in the senior level of management	144 females employed in the senior level of management	144 females employed in the senior level of management	141 females employed in the senior level of management	⊖	1. Long turn-around time of the filling of vacancies 2. Delays in obtaining approval and direction from line. 3. Non availability of interview panel members (from line department, schedules are busy). Recommended candidates do not meet EE requirements. 4. Delays in the final decision regarding the recommended candidate being made 5. High number of non-appointments resulting to re-advertisement of vacancies 6. Insufficient	1. Review the KPA of all HR managers and above. 2. Review the recruitment and selection policy by 28 February 2019, to include the clause that if a post is not filled in that year. It should automatically lose funding. identify and committed positions to meet EE targets. 3. Recruitment files should go via the employment equity office for verification before being approved

Plan 5: Supporting organisation design ,human capital development and Management										
Plan Owner: Dumisile Nene										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Perform a nce as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performanc e as at 30 June 2018	Indicat or	Reason For Variance	Measures Taken to Improve Performance
									talent pool for scarce skills positions	

Plan 5: Supporting organisation design ,human capital development and Management
Plan Owner: Dumisile Nene

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
5.11	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan: FEMALE MIDDLE	Rose-Mary Makhanya	Female Middle=375	343 females employed in the middle level of management	389 females employed in the middle level of management	389 females employed in the middle level of management	388 females employed in the middle level of management	⊖	1. Long turn-around time of the filling of vacancies 2. Delays in obtaining approval and direction from line. 3. Non availability of interview panel members (from line department, schedules are busy). Recommended candidates do not meet EE requirements. 4. Delays in the final decision regarding the recommended candidate being made 5. High number of non-appointments resulting to re-advertisement of vacancies 6. Insufficient	1. Review the KPA of all HR managers and above. 2. Review the recruitment and selection policy by 28 February 2019, to include the clause that if a post is not filled in that year. It should automatically lose funding. identify and committed positions to meet EE targets. 3. Recruitment files should go via the employment equity office for verification before being approved

Plan 5: Supporting organisation design ,human capital development and Management										
Plan Owner: Dumisile Nene										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
									talent pool for scarce skills positions	

Plan 5: Supporting organisation design ,human capital development and Management										
Plan Owner: Dumisile Nene										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
5.12	Address the skills gap in the lower level employees through Adult learning programmes,including literacy, numeracy and foundation skills.	Mpilo Ngubane	6 Programmes completed	6 Programmes completed	Increase in adult literacy of employees	Achievement of SDBIP targets for 2017/18 (6 programmes)	6 SDBIP programmes achieved	☺		
5.13	Encouraging and supporting cooperatives, small enterprises, worker initiated, NGO and community training initiatives by enhancing their skills eg Financial Management ,project management etc so they may be better equipped.	Mpilo Ngubane	5 Programmes undertaken	5 Programmes undertaken	5 Programmes undertaken	5 Programmes undertaken	5 Programmes undertaken	☺		

Plan 5: Supporting organisation design ,human capital development and Management

Plan Owner: Dumisile Nene

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
5.14	Support career and vocational guidance	Mpilo Ngubane	N/A	N/A	9 Career Expos held	9 Career Expos held	9 Career Expos held	☺		
5.15	Provision of comprehensive preventative health programmes to employees	Stanley Naraidu	N/A	N/A	Full provision of services to all Clusters per the SDBIP projects	Full provision of services to all Clusters per the SDBIP projects (280)	382 comprehensive preventative health programmes provided to employees	☺	Overachieved due to provision of additional ad hoc services to client units who requested additional wellness, HIV counselling and testing events and Peer educator training	

Plan 5: Supporting organisation design ,human capital development and Management

Plan Owner: Dumisile Nene

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
5.16	Reduce the Disabling Injury Frequency Rate (DIFR) on an annual basis	Stanley Naraidu	N/A	N/A	Decrease Disabling Injury Frequency Rate (DIFR) to 1.5	To reduce DIFR to 1.5	Decreased Disabling Injury Frequency to Ratio of 0.89	☺	This ratio is calculated based on number of injuries that happened in the workplaces. Less injuries occurred due to number of interventions in the workplaces which has resulted in the decrease of DIFR less than the set target.	

Plan 6 A: A vibrant and creative city - the foundation for sustainability and social cohesion

Plan Owner: Dumisani Bhengu

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
6.1	Number of opportunities reflecting the extent of access to social upliftment activities to cultivate a sense of active citizenship	Thembinkosi Ngcobo	1139 opportunities	1407	3995 opportunities created reflecting the extent of access to social upliftment activities to cultivate a sense of active citizenship by 30 June 2022	1288 opportunities created reflecting the extent of access to social upliftment activities to cultivate a sense of active citizenship by 30 June 2018	1432 opportunities created	☺	Due to the diverse nature of the work undertaken by the Unit, various sections are drawn into partnerships by other depts (in addition to existing projects). Additionally, since this project speaks to offering diverse opportunities to our citizens, our mandate is to deliver on the services that our citizens request.	
6.2	Number of opportunities reflecting the extent of access to sports development and recreational programs	Sandra Khathi	25 Opportunities/activities	25	125 Opportunities /activities created Opportunities/activities created reflecting the extent of access to sports	25 Opportunities /activities created reflecting the extent of access to sports development and	25 Opportunities/activities created	☺		

Plan 6 A: A vibrant and creative city - the foundation for sustainability and social cohesion

Plan Owner: Dumisani Bhengu

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
					development and recreational programs by 30 June 2022	recreational programs by 30 June 2018				
6.3	Projects implemented towards effective management of legislative requirements to support effective green environment management .	Thembinkosi Ngcobo	12 Projects / activities / plans	12	110 Projects/activities/plans implemented towards effective management of legislative requirements to support effective green environment management by 30 June 2022.	22 Projects/activities/plans implemented towards effective management of legislative requirements to support effective green environment management by 30 June 2018	27 Projects/activities/plans implemented	☺	Due to the nature of the Natural Science Museum, researchers are drawn into research projects by other depts & stakeholders (in addition to existing projects) who require expert input. This has resulted in additional projects being implemented.	

Plan 6 A: A vibrant and creative city - the foundation for sustainability and social cohesion

Plan Owner: Dumisani Bhengu

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
6.4	Number of socio-cultural empowerment initiatives.	Thembinkosi Ngcobo	59 Initiatives	71	375 Socio-cultural empowerment Initiatives created by 30 June 2022	73 Socio-cultural empowerment Initiatives created by 30 June 2018	77 Socio-cultural empowerment Initiatives created	☺	Due to the diverse nature of the work undertaken by the Unit, various sections are drawn into partnerships by other depts & stakeholders (in addition to existing projects). Additionally, since this project speaks to creating opportunities within various sectors, the more of these that are implemented ensures that we are able to uphold our mandate, to deliver on the services that our citizens request.	

Plan 6 A: A vibrant and creative city - the foundation for sustainability and social cohesion

Plan Owner: Dumisani Bhengu

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
6.5	Implementation of strategic social infrastructure development linked to the Parks, Recreations & Culture Unit	Thembinkosi Ngcobo	43.13 % Implementation of the SDBIP projects	39.41%	100% implementation of SDBIP projects for the financial year	82,5% implementation of SDBIP projects for the 2017/18 financial year	73.25% SDBIP projects implemented	☹	<p>6.6.2 Tshelimnyama Library Stage 4 The awarded contractor withdrew. SCM processes had to restart.</p> <p>6.6.5; Umgababa Pool : Stage 5 There were delays by the mechanical sub-contractor; heavy rains; blockages when installing piling and excavating of main pool and also riots and public disturbances.</p> <p>6.6.6 Mobeni Crematorium stage 1 Due to service provider defaults and thereafter non appointment of service provider, (over a 3 year period) The unit</p>	<p>6.6.2 Tshelimnyama Library Stage 4 Once the new contractor has been awarded, this project target will be adjusted and progress reported according to the Architectural Project Plan</p> <p>6.6.5; Umgababa Pool : Stage 5 Site meetings are held twice a month to monitor and report on the progress.</p> <p>6.6.6 Mobeni Crematorium stage 1 The project will be temporarily removed from the SDBIP until the construction phase commences.</p>

Plan 6 A: A vibrant and creative city - the foundation for sustainability and social cohesion										
Plan Owner: Dumisani Bhengu										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
									<p>requested that the BAC re-adjudicate the requirements for this project and necessitating that it be re-advertised again, causing the delay.</p> <p>6.6.7 Amaoti Library stage 5 Delays due to work stoppages and weather conditions.</p>	<p>6.6.7 Amaoti Library stage 5 Work is continuing - The completion date has been revised to 01 April 2019.</p>

Plan 6 A: A vibrant and creative city - the foundation for sustainability and social cohesion

Plan Owner: Dumisani Bhengu

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
6.6	Develop, review, implement or report on collections management mechanisms to address the Preservation and Management of Heritage Assets	Thembinkosi Ngcobo	21 mechanisms/ plans developed/ reviewed/ implemented and reported on.	22	130 mechanisms /plans developed/reviewed/implemented and reported on to address the preservation and management of heritage assets by 30 June 2022	26 mechanisms /plans developed/reviewed/implemented and reported on to address the preservation and management of heritage assets for 2017/18	26 mechanisms /plans developed/reviewed/implemented and reported on to address the preservation and management of heritage assets	☺		

Plan 6 B: Stadium Facility Unit										
Plan Owner: Dumisani Bhengu										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
6.1	Number of job opportunities created	General Manager: V Mazibuko	5000 job opportunities created	19494 job opportunities created	5000 job opportunities created	10000 job opportunities created	9444 job opportunities created	☹	Lack of event content at Moses Mabhida Stadium, MMS not being in control of the current economic climate which has a bleak outlook. This has resulted in fewer than anticipated events, resulting in lesser job opportunities being created. Further, National Treasury cost cutting measure initiatives has resulted in less utilisation of the stadium by government departments.	It is noted that within the new approved structure, there is a position created for a Marketing and Sales Coordinator. This post is currently unfunded. The finance manager has motivated for funding. The core of this post would be to go out and bring more business opportunities to MMS. In this approach Management would look to "take the stadium to the client" with the intention of securing meaningful and profitable event content.

Plan 6 B: Stadium Facility Unit										
Plan Owner: Dumisani Bhengu										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
6.2	To maintain the number of planned events booked at the stadium and its precinct	Operations Manager: L Lamula	N/A	N/A	10	Maintain the number of planned event bookings in the bowl events, non-bowl events / internal, peoples park events (337)	271 planned event bookings in the bowl events, non-bowl events / internal, peoples park events held	⊖	Lack of event content at Moses Mabhida Stadium, MMS not being in control of the current economic climate which has a bleak outlook.	It is noted that within the new approved structure, there is a position created for a Marketing and Sales Coordinator. This post is currently unfunded. The finance manager has motivated for funding. The core of this post would be to go out and bring more business opportunities to MMS. In this approach Management would look to "take the stadium to the client" with the intention of securing meaningful and profitable event content.

Plan 6 B: Stadium Facility Unit										
Plan Owner: Dumisani Bhengu										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
6.3	Survey guests and obtain more than 92% positive guest satisfaction.	Retail Manager: S Dube	92%	93.9%	92%	92% Customer Satisfaction based on satisfaction survey results	95.3% Customer Satisfaction based on satisfaction survey achieved	☺	GRO's have worked consistently throughout the year to ensure customer satisfaction	
23.2	To maximise occupancy percentage of all lettable space	Retail Manager: S Dube			100	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's
23.5	Ensure the implementation of audit recommendation at MMS	Marketing Manager: L McLeod			100	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's

Plan 6 B: Stadium Facility Unit										
Plan Owner: Dumisani Bhengu										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
23.6	To conduct a total number of 10 trainings per annum as per 2017'18 WSP training plan	General Manager: V Mazibuko			10	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's
23.7	Ensure risks are identified and managed according to the risk plan and monitor milestones	Retail Manager: S Dube			100	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's
23.8	23.8. To engage a total number of 10 students in financial year	General Manager: V Mazibuko			10	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's
	Actual revenue generated	Commercial Manager: G Medcalf				Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's

Plan 6 B: Stadium Facility Unit										
Plan Owner: Dumisani Bhengu										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
23.9	Actual operating expenditure not to exceed approved budget	Finance Manager: S Mbatha			Yes	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's
23.10	Capital Expenditure percentage spent vs budget for financial year	Finance Manager: S Mbatha			100	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's
23.11	Ensure that all the collection steps are taken against clients with outstanding invoices	Finance Manager: S Mbatha			100	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's
23.12	Ensure that all event invoices are paid prior to the event date	Events Manager: N Msomi			100	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's	Deleted during MTA's

Plan 7A: Good Governance and Responsive Local Government

Plan Owner: Sipho Cele

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance

7.1	Number of international agreements and projects, events and protocol projects and intergovernmental agreements and projects that enhance Municipal service delivery.	Eric Apelgren	121	142	130 agreements/ projects that enhance Municipal service delivery.	130 agreements/ projects that enhance Municipal service delivery during 2017/18	145 agreements/ projects that enhance Municipal service delivery implemented / signed	☺	<p>71.1.1 Implement co-operative international relations programmes that mobilises financial and knowledge exchange that supports capacity of staff and office bearers to deliver the IDP. Five more additional projects were implemented;</p> <p>71.1.4 Implement an integrated intergovernmental relations programme that mobilises resources, policy alignment and knowledge exchange that benefits all stakeholders</p> <p>Collaborations with relevant stakeholders were intensified</p>	
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Plan 7A: Good Governance and Responsive Local Government
Plan Owner: Sipho Cele

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
7.2	Customer satisfaction based on the mystery shopper programme	Mavuso Shabalala	87% satisfaction	96% satisfaction	100% implementation of the Mystery Shopper Programme	75% implementation of the Mystery Shopper Programme	75% implementation of the Mystery Shopper Programme	☹	The completion of the project was severely affected by the delays in the procurement process wherein significant delays were noted in separate report. This affected the appointment of the service provider that was to undertake the project. Consequently and due to validity period of the tender the bid had to be cancelled and a report for the BEC was prepared in this regard.	The following action plan was developed to mitigate against this occurrence in the following financial year. <ul style="list-style-type: none"> • Action Plans for 2018/19 were revised to enable reporting on milestones on a quarterly basis as per PMU template. • Development of a Unit based information management and storage system. • Briefing sessions held with PMU to unpack the application of the Municipal Performance Management System.

Plan 7A: Good Governance and Responsive Local Government
Plan Owner: Sipho Cele

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
7.3	Integrated services meeting the needs of the customers at Sizakala Centres	Mavuso Shabalala	N/A	N/A	Additions/ alterations at 3 centres and preparations of opening of 1 centre completed.	Additions/ alterations at 3 centres and preparations of opening of 1 centre completed. (4)	4 (Additions/ alterations at 3 centres completed and preparations for opening of 1 centre completed)	😊		

Plan 7A: Good Governance and Responsive Local Government										
Plan Owner: Sipho Cele										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
7.4	Number of interventions to encourage effective public participation in Council activities	Vincent Cebekhu	361 interventions to encourage effective public participation in Council activities	521 interventions to encourage effective public participation in Council activities implemented	456 interventions to encourage effective public participation in Council activities	464 interventions to encourage effective public participation in council activities for 2017/18	586 interventions to encourage effective public participation in Council activities implemented	😊	There was greater interest and involvement from the community and the projects/programmes/workshops undertaken by the unit.	

Plan 7A: Good Governance and Responsive Local Government
Plan Owner: Sipho Cele

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
7.5	No. of communication tools maintained and developed in line with the Adopted Communication Strategy and Policy in order to provide facilities for the Municipality to communicate internally and externally	Mandla Nsele	Maintain 11 tools	11 communication tools maintained	Maintain 11 communication tools during the financial year	Maintain 11 communication tools during the financial year	11 communication tools maintained	😊		

Plan 7A: Good Governance and Responsive Local Government
Plan Owner: Sipho Cele

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
7.6	Implementation of identified systems, policies, events and services to promote the interface between Council, the Administration and the Citizenry.	Adele Seheri	100% implementation of 3 identified projects	100% of identified projects implemented	100% Implementation of 3 identified projects to promote the interface between Council, the Administration and the Citizenry.	100% implementation of 3 identified projects to promote the interface between Council, the Administration and the Citizenry during 2017/18	100% of identified projects implemented	😊		

Plan 7A: Good Governance and Responsive Local Government
Plan Owner: Sipho Cele

Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
7.7	Provide strategic management and coordination support to the Mayor's office	Martin Xaba	100 % implementation of SDBIP projects	100% SDBIP projects implemented	An effective and efficient political oversight function	100 % implementation of SDBIP projects for the financial year	100% SDBIP projects implemented	😊		

Plan 7B: Good Governance and Responsive Local Government
Plan Owner: Sipho Nzuza

Index	KPI Name CC5: L6	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
72.1	Percentage implementation of the anti-corruption and human rights programme	Mbuso Ngcobo	84% implementation of the anti-corruption and human rights programme during 2016/17	98.94% of the anti-corruption and human rights programme implemented	90% implementation of the anti-corruption and human rights programme during the financial year	90% implementation of the anti-corruption and human rights programme during 2017/18	116.16% of the anti-corruption and human rights programme implemented	☺	Additional resources were secured to assist with the backlog. These resources were secured after the targets were reviewed during the Mid-term amendments.	
72.2	Percentage of audit projects undertaken as per plan approved by the Audit Committee to determine the adequacy of internal controls designed to mitigate against identified risks	Ronald Machumi	90% audit projects undertaken as per plan for 2016/17	97%	90% audit projects undertaken as per plan	90% audit projects undertaken as per plan for 2017/18	91% audit projects undertaken as per plan	☺	The reason for over-achievement was due to Special Projects, that were requested by Management and Audit Committee during the year.	

Plan 7B: Good Governance and Responsive Local Government

Plan Owner: Sipho Nzuza

Index	KPI NameCC5: L6	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
72.3	Implementation of IT initiatives to improve efficiencies, effectiveness & accountability and eliminate wastage of resources	Robert Dlamini	Completion of all projects on the SDBIP (100%)	121.07% completion of SDBIP projects	100 % implementation of all projects in the ICT strategy that have a 5 year or less life span	Completion of all projects on the SDBIP by 30 June 2018 (100%)	103.76% completion of SDBIP projects	☺	72.10.2 Telephony Over Achieved due to more phones being required at sites and were supplied. 72.10.4 Fibre and Wide area Network Overachieved due to ETA traffic controllers needing fibre. This was provided whereas it was not originally planned for.	
72.4	Develop & facilitate implementation of Enterprise Risk Management (ERM) programs in the municipality.	Phumi Madlala	90 ERM programs implemented in the municipality during 2016/17	97 ERM programs implemented	146 ERM programs implemented in the municipality during 2021/2022	146 ERM programs implemented in the municipality during 2017/18	237 ERM programs implemented	☺	Over achieved due to additional requests/ reviews from management.	

Plan 7B: Good Governance and Responsive Local Government

Plan Owner: Sipho Nzuza

Index	KPI NameCC5: L6	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
72.5	Coordination and implementation of the Area Based Management (ABM) programme	Linda Mbonambi	100% implementation of all projects in the Area Based Management programme by 30 June 2017	118.4% Area Based Management programmes implemented	100% implementation of all projects in the Area Based Management programme	96.15% implementation of all projects in the Area Based Management programme by 30 June 2018	103.63% Area Based Management programmes implemented	☺	Increase in profile due to complaints received from members of the public and Increase in the number of contravention notices issued by Health, Fire and Building Inspectorate Units.	

Plan 8 :Financially Accountable and Sustainable City										
Plan Owner: Krish Kumar										
Index	KPI Name	KPI Owner	Annual Target 2016/2017	Actual Performance as at 30 June 2017	5 Year Target ending 2021/2022	Annual Target 2017/2018	Actual Performance as at 30 June 2018	Indicator	Reason For Variance	Measures Taken to Improve Performance
8.1	The percentage of the municipality's capital budget actually spent on capital projects in terms of the municipality's integrated development plan including housing top structure expenditure.	Yogee a Rayan	90% Capital budget spent	91% of capital budget spent	90% of capital budget spent by financial year end	90% of capital budget spent by 30 June 2018	74% of capital budget spent	⊕	<p>1. There were delays in the IRPTN/BRT projects due to ongoing negotiations with the public transport operators, as well as the disruption of projects by local communities and business forums.</p> <p>2. Delays in housing projects due to poor performance of contractors and disruptions by local communities.</p> <p>3. Delays in the aqueduct project due to business forum issues.</p> <p>4. Appeals against the award of contracts.</p> <p>5. Lack of procurement scheduling by line departments.</p>	Regular Top 200 meetings are being held by the City Manager and executives to sort out challenges incurred by implementing departments.
8.2	Issue 1 Supplementary Roll per year.	Balakazi Madikizela	1 Supplementary Roll in May	1 Supplementary Roll issued	5 based on legislated requirements by 30	1 Supplementary Roll in May	1 Supplementary Roll issued	☺		

					June 2022					
8.3	Outstanding Service Debtors to Revenue	Peet Du Plessis	38% of outstanding service debtors to revenue	31.68% of outstanding service debtors to revenue	38% of outstanding service debtors to revenue for the financial year	38% of outstanding service debtors to revenue by 30 June 2018	37.06% of outstanding service debtors to revenue	☺	Strict implementation of credit control processes especially for businesses	

8.4	Debt Coverage Ratio (No. of times)	Yogeeet a Rayan	Debt coverage of 11 times	Debt coverage of 13.77 times	Debt coverage of 11 times for the financial year	Debt coverage of 11 times for the 17/18 financial year	Debt coverage of 18 times	☺	Favourable. Municipality has put system in place for billing to improve revenue collection. Actual meter reading is done and reconciled with the system. Borrowings are also assessed to keep same to the minimum to reduce debt servicing costs. <i>Subject to year end final adjustments</i>	
8.5	Cost Coverage Ratio (No. of months)	Yogeeet a Rayan	Cost coverage of 2 months	Cost coverage of 3,53 months	Cost coverage of 2 months for the financial year	Cost coverage of 2 months for the 17/18 financial year	Cost coverage of 2,85 number of months	☺	Favourable. Austerity and cost containment measures per MFMA circular 82 are strictly applied. <i>Subject to year end final adjustments</i>	
8.6	Gearing Ratio (Debt to Total Income including grant income)	Yogeeet a Rayan	Gearing Ratio of 40	Gearing Ratio of 26,59	Gearing ratio of 45 for the financial year	Gearing ratio of 45 by 30 June 2018	Gearing Ratio of 23.01	☺	Favourable. This is an annual target and the 45% is a National Benchmark. The R1billion loan to fund capital was not taken. Intention is to keep borrowings to a minimum and seeking alternative sources of revenue <i>Subject to year end final adjustments</i>	
8.7	Obtain an unqualified audit opinion	Yogeeet a Rayan	Obtain Unqualified Audit Opinion for the prior financial year (Yes)	Yes (Unqualified Audit Opinion obtained)	Obtain Unqualified Audit Opinion for the prior financial year	Obtain Unqualified Audit Opinion for the prior financial year (Yes)	Yes (Unqualified Audit Opinion obtained)	☺	An unqualified opinion has been expressed in respect of the 2016/17 financial year.	

8.8	Maintain an overall payment rate of Cash over Monthly billing at 95%	Peet Duplessis	95% payment rate of cash over monthly billings for the 2016/17 financial year	93% payment rate of cash over monthly billings achieved	95% payment rate of cash over monthly billings for the financial year	95% payment rate of cash over monthly billings for the 2017/18 financial year	89.32% payment rate of cash over monthly billings achieved	☹	1. Overbilling of charges for water and electricity. e.g. Billed R4,4bn whilst the budget was R3,7bn for water alone. 2. Implementation of VA5 with increased values. 3. Disconnections took some time to increase in numbers. They are still not yet maximised. 4. Slow down of economy resulting in more customers defaulting.	1. Improve on disconnections 2. Stricter implementation of the credit control policy 3. Fully implement RMS in credit control and Legal processes sections.
8.9	0% irregular expenditure on SCM managed contracts unless due to circumstances beyond the control of SCM	Andre Petersen	N/A	N/A	0% irregular expenditure on SCM managed contracts for the financial year	0% irregular expenditure on SCM managed contracts for the 2017/18 financial year	0% irregular expenditure on SCM managed contracts	☺		
8.10	Optimal availability of fleet vehicles (excluding buses)	Malcolm Joshua	90% availability of fleet vehicles	92% availability of fleet vehicles	90% availability of fleet vehicles	90% availability of fleet vehicles during the 17/18 financial year	89% availability of fleet vehicles	☹	The supply of spare parts was linked to the delays with contracts that had Community Participation Goal (CPG) challenges.	The matter has now been finalised and the turn around times will be improved.
8.11	Optimal availability of bus fleet	Malcolm Joshua	90% availability of bus fleet	93% availability of bus fleet	90% availability of bus fleet	90% availability of bus fleet during the 17/18 financial year	90% availability of bus fleet	☺		

Appendix V: Capital Budget by Vote

Capital Expenditure by Vote				
<u>Summary by Vote</u>	R' 000			
	2017/2018			
	Original Budget	Adjusted Budget	Actual	% Spent Against Budget
Vote 1 - Office of the City Manager	441 657	491 937	234 207	48%
Vote 2 - City Manager's Operations	497	1 221	4 407	361%
Vote 3 – Finance	342 099	293 570	273 678	93%
Vote 4 - Office of the Strategic Management	86	86	30	35%
Vote 5 - Governance	20 205	35 874	22 156	62%
Vote 6 - Corporate and Human Resources	4 301	9 116	6 955	76%
Vote 7 - Economic development and planning	371 480	372 460	280 108	75%
Vote 8 - Community and emergency services	554 054	564 372	200 130	35%
Vote 9 - Human settlements and infrastructure	3 201 734	2 239 112	1 761 624	79%
Vote 10 - Trading Services	2 311 170	2 468 046	1 982 780	80%
Vote 11 - Chief Albert Luthuli International Centre	77 933	73 481	13 906	19%
Vote 12 - Ushaka Marine World	14 868	14 869	11 178	75%
Total Capital Expenditure - Vote	7 340 084	6 564 144	4 791 159	73%

eThekwini Municipality and its Municipal Entities Annual
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for the year ended June 30, 2018

eThekweni Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

GENERAL INFORMATION

LEGAL FORM OF ENTITY	Metropolitan Municipality
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	High Capacity, Category A, Local Authority
ACCOUNTING OFFICER	Mr. S. Nzuza
REGISTERED OFFICE Dr. Pixle Kaseme Street Durban 4000	City Hall
POSTAL ADDRESS Durban 4000	P O Box 1014
MUNICIPALITY incorporated in South Africa	Municipality
BANKERS P O Box 5662, Durban, 4000	Nedbank
AUDITORS	The Auditor-General, South Africa

eThekwini Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

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The reports and statements set out below comprise the annual financial statements presented to the Councillors:

Municipal Manager

Statement of Financial Position Statement

of Financial Performance Statement of

Changes in Net Assets Cash Flow

Statement

Appropriation Statement

Accounting Policies

Notes to the Annual Financial Statements Appendixes:

(unaudited)

Appendix A: Segmental analysis of Property, Plant and Equipment (unaudited)

Appendix B: Segmental Statement of Financial Performance (unaudited)

Appendix C: Disclosure of Grants and Subsidies in terms of Section 123 of the MFMA (unaudited)

Appendix D: Moses Mabhida Stadium - Statement of Financial Performance (unaudited)

eThekweni Municipality and its Municipal Entities

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COID	Compensation for Occupational Injuries and Diseases
VAT	Value added tax
DBSA	Development Bank of South Africa
MFMA	Municipal Finance Management Act
GRAP	Generally Recognised Accounting Practice
PPE	Property, Plant and Equipment
HDF	Housing Development Fund
SALA	South African Local Authority Pension Fund
MSCOA	Municipal Standard Chart of Accounts
DMOSS	Durban Metropolitan Open Space System
ME's	Municipal Entities
SALGA	South African Local Government Authority
GEPF	Government Employees Pension Fund
NJMPF	Natal Joint Municipal Pension Fund
DOHS	Department of Human Settlements
IFRS	International Financial Reporting Standards
IFRIC	International Financial Reporting Interpretations Committee

eThekweni Municipality and its Municipal Entities

Consolidated Annual Financial Statements for the year ended 30 June 2018

Municipal Manager

I am responsible for the preparation of these annual financial statements, which are set out on pages 3 to 128, in terms of Section 126(1) of the Municipal Finance Management Act, Act 56 of 2003 and which I have signed on behalf of the Municipality.

The annual financial statements are prepared in accordance with South African Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 33 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

Durban

30 September 2018

Municipal Manager

eThekwini Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

Statement of Financial Position as at June 30, 2018

Group		Municipality			
Figures in Rand thousand	Note(s)	2018	2017 Restated*	2018	2017 Restated*
Assets					
Current Assets					
Inventories	2	709,346	596,996	576,328	451,210
Investments	3	5,880,431	5,932,097	5,700,000	5,750,000
Receivables from exchange transactions	4	2,065,880	2,142,333	2,030,876	2,100,932
Receivables from non-exchange transactions	5	81,845	254,584	81,845	254,584
VAT receivable	6	443,551	282,695	451,162	275,082
Consumer debtors	7	4,542,656	3,915,796	4,577,457	3,935,389
Current portion of Long term receivables	8	41,533	42,844	41,533	42,844
Call Investment Deposits	9	242,036	500,516	200,000	480,000
Cash and Bank Balances	10	264,240	154,595	198,226	75,316
		14,271,518	13,822,456	13,857,427	13,365,357
Non-Current Assets					
Investment property	11	267,253	293,264	208,646	233,014
Property, plant and equipment	12	49,154,698	46,771,557	48,279,890	45,855,538
Intangible assets	13	821,723	845,990	820,009	843,229
Heritage assets	14	24,536	24,039	24,536	24,039
Investments in Municipal Entities	15	-	-	940,831	908,779
Interest in Joint Ventures	16	-	-	129,714	145,093
Deferred Income		1,377	1,415	-	-
Long term Receivables	8	58,292	55,009	58,292	55,009
		50,327,879	47,991,274	50,461,918	48,064,701
Total Assets		64,599,397	61,813,730	64,319,345	61,430,058
Liabilities					
Current Liabilities					
External Borrowings	17	874,388	793,528	874,388	793,528
Payables from exchange transactions	18	6,051,839	5,854,729	6,052,441	5,843,075
Transfers payable from non-exchange transactions	19	29,280	17,760	29,280	17,760
Consumer deposits	20	2,291,756	2,168,026	2,267,863	2,143,476
Employee benefit obligation	21	664,384	501,958	664,384	501,958
Unspent conditional grants and receipts	22	1,269,669	867,988	1,269,669	867,988
Provisions	23	627,225	580,193	618,825	573,630
		11,808,541	10,784,182	11,776,850	10,741,415
Non-Current Liabilities					
External Borrowings	17	7,286,712	8,042,457	7,286,712	8,042,457
Employee benefit obligation	21	3,547,237	3,269,679	3,547,237	3,269,679
Provisions	23	1,109,632	835,541	1,109,632	835,541
		11,943,581	12,147,677	11,943,581	12,147,677
Total Liabilities		23,752,122	22,931,859	23,720,431	22,889,092
Net Assets		40,847,275	38,881,871	40,598,914	38,540,966
Housing Development Fund	24	57,470	123,512	57,470	123,512
Accumulated surplus		40,789,805	38,758,359	40,541,444	38,417,454
Total Net Assets		40,847,275	38,881,871	40,598,914	38,540,966

* See Note 44

eThekwini Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

STATEMENT OF FINANCIAL PERFORMANCE

		Group		Municipality	
Figures in Rand thousand	Note(s)	2018	2017 Restated*	2018	2017 Restated*
Revenue					
Revenue from exchange transactions					
Service charges	25	17,180,137	16,431,897	17,226,739	16,477,010
Rental of facilities and equipment	26	760,041	578,729	684,106	484,540
Other income	27	541,558	528,672	302,608	270,269
Interest received	28	904,661	799,767	879,784	771,989
Gain on disposal of assets and liabilities		-	1,693	-	1,840
Share of income from Joint Venture	16	-	-	-	21,151
Total revenue from exchange transactions		19,386,397	18,340,758	19,093,237	18,026,799
Revenue from non-exchange transactions					
Taxation revenue					
Fines		435,931	389,387	435,931	389,387
Property rates	29	7,673,349	6,551,275	7,689,731	6,565,139
Property rates - penalties imposed		149,141	141,525	149,141	141,525
Donations - Property, Plant and Equipment		857	9,397	857	9,397
Licences and permits		48,868	47,340	48,868	47,340
Transfer revenue					
Government grants & subsidies	30	5,762,574	5,684,499	5,762,574	5,684,499
Levies	31	2,211,611	2,185,002	2,211,611	2,185,002
Public contributions and donations		26,746	35,898	15,750	28,792
Reversal of loss on impairment: Investment Properties	11	346	6,465	346	6,465
Reversal of loss on impairment - Property, Plant and Equipment	12	4,029	3,733	4,029	3,733
Reversal of impairment: Municipal Entities and Joint Venture	15	-	-	32,052	-
Total revenue from non-exchange transactions		16,313,452	15,054,521	16,350,890	15,061,279
Total revenue		35,699,849	33,395,279	35,444,127	33,088,078
Expenditure					
Employee related costs	32	(10,081,933)	(8,860,255)	(9,909,720)	(8,702,119)
Remuneration of councillors	33	(119,344)	(110,934)	(119,344)	(110,934)
Amortisation - Intangible assets	13	(218,890)	(199,148)	(217,516)	(198,118)
Impairment Loss - Investment Properties	11	(2,102)	(7,855)	(2,102)	(7,855)
Depreciation - Property, Plant and Equipment	12	(2,137,755)	(2,001,013)	(2,072,179)	(1,933,397)
Impairment Loss - Property, Plant and Equipment	12	(13)	(3,700)	(13)	(3,700)
Finance costs	34	(852,320)	(897,959)	(852,316)	(897,959)
Lease rentals on operating lease		(128,711)	(122,028)	(128,333)	(121,875)
Debt Impairment	48	(2,076,465)	(2,011,349)	(2,079,746)	(2,013,798)
Depreciation - Investment Properties	11	(3,193)	(3,840)	(1,241)	(1,432)
Bulk purchases	35	(10,433,650)	(10,099,008)	(10,433,650)	(10,099,008)
Contracted services	36	(4,433,017)	(3,963,205)	(4,418,844)	(3,946,208)
Grants and subsidies paid	37	(397,901)	(216,200)	(476,444)	(285,815)
Loss on disposal of assets and liabilities		(4,619)	-	(4,619)	-
Share of losses from Joint Ventures	16	-	-	(2,031)	-
Impairment Loss - Intangible Assets	13	-	(576)	-	(576)
General Expenses	38	(2,844,097)	(2,767,889)	(2,668,081)	(2,590,384)
Total expenditure		(33,734,010)	(31,264,959)	(33,386,179)	(30,913,178)
Surplus before taxation		1,965,839	2,130,320	2,057,948	2,174,900
Taxation	55	435	3,216	-	-

* See Note 44

eThekwini Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

Statement of Financial Performance

Figures in Rand thousand	Note(s)	Group		Municipality	
		2018	2017 Restated*	2018 Restated*	2017
Surplus for the year		1,965,404	2,127,104	2,057,948	2,174,900

* See Note 44

eThekwini Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

STATEMENT OF CHANGES IN NET ASSETS

Figures in Rand thousand

	Housing development fund	Accumulated surplus	Total net assets
Group			
Opening balance as previously reported	123,512	36,719,767	36,843,279
Adjustments			
Prior year adjustments (prior to 2016/17)	-	(172,501)	(172,501)
Balance at July 01, 2016 as restated*	123,512	36,547,266	36,670,778
Changes in net assets			
Surplus for the year as previously reported	-	2,194,431	2,194,431
Gain on Umgungundlovu take-on	-	16,226	16,226
Gain on Ugu take-on	-	30,513	30,513
Gain on Vulamehlo take-on	-	32,467	32,467
Change in estimates - Landfill sites	-	1,167	1,167
Investment in Durban Point Development Company - elimination of share of loss	-	3,616	3,616
Total changes	-	2,278,420	2,278,420
Opening balance as previously reported	123,512	38,825,686	38,949,198
Adjustments			
Prior year adjustments (2016/17)	-	(67,327)	(67,327)
Balance at July 01, 2017 as restated*	123,512	38,758,359	38,881,871
Changes in net assets			
Surplus for the year	-	1,965,404	1,965,404
Housing Development Fund transfer	(66,042)	66,042	-
Total changes	(66,042)	2,031,446	1,965,404
Balance at June 30, 2018	57,470	40,789,805	40,847,275
Note(s)			
Municipality			
Opening balance as previously reported	123,512	36,296,097	36,419,609
Adjustments			
Prior year adjustments (prior to 2016/17)	-	(133,916)	(133,916)
Balance at July 01, 2016 as restated*	123,512	36,162,181	36,285,693
Changes in net assets			
Surplus for the year as previously reported	-	2,244,916	2,244,916
Gain on Umgungundlovu take-on	-	16,226	16,226
Gain on Ugu take-on	-	30,513	30,513
Gain on Vulamehlo take-on	-	32,467	32,467
Change in estimates - Landfill sites	-	1,167	1,167
Total changes	-	2,325,289	2,325,289
Opening balance	123,512	38,487,470	38,610,982
Adjustments			
Prior year adjustments (2016/17)	-	(70,016)	(70,016)
Balance at July 01, 2017 as restated*	123,512	38,417,454	38,540,966
Changes in net assets			
Surplus for the year	-	2,057,948	2,057,948
Housing Development Fund transfer	(66,042)	66,042	-
Total changes	(66,042)	2,123,990	2,057,948
Balance at June 30, 2018	57,470	40,541,444	40,598,914
Note(s)			

* See Note 44

eThekwini Municipality and its Municipal Entities

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Cash Flow Statement

		Group		Municipality	
Figures in Rand thousand Restated*	Note(s)	2018	2017	2018	2017 Restated*
Cash flows from operating activities					
Receipts					
Ratepayers, Government and other		32,866,366	31,133,281	32,588,741	30,843,737
Interest income		904,661	799,767	879,784	771,989
		33,771,027	31,933,048	33,468,525	31,615,726
Payments					
Employee costs and suppliers		(27,742,481)	(25,974,089)	(27,475,458)	(25,696,997)
Finance costs		(852,320)	(897,959)	(852,316)	(897,959)
Taxes on surpluses		(435)	(3,216)	-	-
		(28,595,236)	(26,875,264)	(28,327,774)	(26,594,956)
Net cash flows from operating activities	39	5,175,791	5,057,784	5,140,751	5,020,770
Cash flows from investing activities					
Purchase of property, plant and equipment	12	(4,503,978)	(5,113,713)	(4,479,529)	(5,056,762)
Proceeds from sale of property, plant and equipment	12	5,157	13,753	5,073	13,739
Purchase of investment property	11	(309)	-	-	-
Purchase of other intangible assets	13	(195,073)	(162,667)	(194,746)	(161,168)
Purchases of heritage assets	14	(497)	(435)	(497)	(435)
Capital repayment received from Joint Venture		-	-	6,848	-
(Increase) / decrease in non-current receivables		(6,707)	(18,702)	(10,105)	(21,391)
Net cash flows from investing activities		(4,701,407)	(5,281,764)	(4,672,956)	(5,226,017)
Cash flows from financing activities					
Proceeds from external borrowings		-	700,000	-	700,000
Repayment of external borrowings		(674,885)	(1,100,374)	(674,885)	(1,100,374)
Net cash flows from financing activities		(674,885)	(400,374)	(674,885)	(400,374)
Net increase/(decrease) in cash and cash equivalents		(200,501)	(624,354)	(207,090)	(605,621)
Cash and cash equivalents at the beginning of the year		6,587,208	7,211,562	6,305,316	6,910,937
Cash and cash equivalents at the end of the year	10	6,386,707	6,587,208	6,098,226	6,305,316

* See Note 44

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Appropriation Statement

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Group - 2018											
Financial Performance											
Property rates	6,907,500	193,542	7,101,042	-		7,101,042	7,673,349		572,307	108 %	111 %
Service charges	18,265,088	(284,709)	17,980,379	-		17,980,379	17,180,137		(800,242)	96 %	94 %
Investment revenue	1,296,055	(703,253)	592,802	-		592,802	598,038		5,236	101 %	46 %
Transfers recognised - operational	3,087,889	2,292,257	5,380,146	-		5,380,146	5,333,730		(46,416)	99 %	173 %
Other own revenue	3,828,123	(1,872,524)	1,955,599	-		1,955,599	2,274,140		318,541	116 %	59 %
Total revenue (excluding capital transfers and contributions)	33,384,655	(374,687)	33,009,968	-		33,009,968	33,059,394		49,426	100 %	99 %
Employee costs	(9,824,018)	(51,476)	(9,875,494)-	-		(9,875,494)	(10,081,933)-		(206,439)	102 %	103 %
Remuneration of councillors	(107,947)	(11,953)	(119,900)-	-		(119,900)	(119,344)-		556	100 %	111 %
						(649,826)					
Debt impairment	(649,219)	(607)	(649,826)			(2,050,557)	(2,076,465)-		(1,426,639)	320 %	320 %
Depreciation and asset impairment	(2,080,881)	30,324	(2,050,557)				(2,361,953)-		(311,396)	115 %	114 %
Finance charges	(1,466,337)	596,793	(869,544)-	-		(869,544)	(852,320)-		17,224	98 %	58 %
Materials and bulk purchases	(10,840,262)	(785,439)	(11,625,701) -	-		(11,625,701)	(11,414,637) -		211,064	98 %	105 %
Transfers and grants	(226,275)	(216,854)	(443,129) -	-		(443,129)	(397,901) -		45,228	90 %	176 %
Other expenditure	(7,502,333)	344,842	(7,157,491)-	-		(7,157,491)	(6,429,457)-		728,034	90 %	86 %
Total expenditure	(32,697,272)	(94,370)	(32,791,642)-	-		(32,791,642)	(33,734,010)-		(942,368)	103 %	103 %
Surplus/(Deficit)	687,383	(469,057)	218,326	-		218,326	(674,616)		(892,942)	(309)%	(309)%

eThekwini Municipality and its Municipal Entities

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Appropriation Statement

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Transfers recognised - capital	3,807,036	(840,623)	2,966,413	-		2,966,413	2,640,455		(325,958)	89 %	69 %
Surplus (Deficit) after capital transfers and contributions	4,494,419	(1,309,680)	3,184,739	-		3,184,739	1,965,839		(1,218,900)	62 %	44 %
Taxation	-	-	-	-		-	435		435	DIV/0 %	DIV/0 %
Surplus/(Deficit) for the year	4,494,419	(1,309,680)	3,184,739	-		3,184,739	1,965,404		(1,219,335)	62 %	44 %

Capital expenditure and funds sources

Total capital expenditure	7,340,084	(775,940)	6,564,144	-		6,564,144	4,791,159		(1,772,985)	73 %	65 %
Sources of capital funds											
Transfers recognised - capital	3,807,036	(840,623)	2,966,413	-		2,966,413	2,640,455		(325,958)	89 %	69 %
Borrowing	1,000,000	(800,501)	199,499	-		199,499	184,689		(14,810)	93 %	18 %
Internally generated funds	2,533,048	865,184	3,398,232	-		3,398,232	1,966,015		(1,432,217)	58 %	78 %
Total sources of capital funds	7,340,084	(775,940)	6,564,144	-		6,564,144	4,791,159		(1,772,985)	73 %	65 %

eThekwini Municipality and its Municipal Entities

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Appropriation Statement

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget outcome	Actual	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Cash flows											
Net cash from (used) operating	6,016,702	(654,874)	5,361,828	-		5,361,828	5,175,791		(186,037)	97 %	86 %
	(7,317,652)	2,581,916	(4,735,736)	-		(4,735,736)	(4,701,407)		34,329	99 %	64 %
Net cash from (used) investing	345,255	(1,077,316)	(732,061)	-		(732,061)	(674,885)		57,176	92 %	(195)%
Net cash from (used) financing	(955,695)	849,726	(105,969)	-		(105,969)	(200,501)		(94,532)	189 %	21 %
Net increase/(decrease) in cash and cash equivalents	6,336,321	-	6,336,321	-		6,336,321	6,587,208		250,887	104 %	104 %
Cash and cash equivalents at the beginning of the year	5,380,626	849,726	6,230,352	-		6,230,352	6,386,707		156,355	103 %	119 %

eThekwini Municipality and its Municipal Entities

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Appropriation Statement

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Municipality - 2018											
Financial Performance											
Property rates	6,907,500	193,542	7,101,042	-		7,101,042	7,689,731		588,689	108 %	111 %
Service charges	18,265,088	(284,709)	17,980,379	-		17,980,379	17,226,739		(753,640)	96 %	94 %
Investment revenue	1,277,611	(702,359)	575,252	-		575,252	573,161		(2,091)	100 %	45 %
Transfers recognised - operational	3,087,889	2,287,847	5,375,736	-		5,375,736	5,333,730		(42,006)	99 %	173 %
Other own revenue	3,321,700	(1,836,609)	1,485,091	-		1,485,091	1,980,311		495,220	133 %	60 %
Total revenue (excluding capital transfers and contributions)	32,859,788	(342,288)	32,517,500	-		32,517,500	32,803,672		286,172	101 %	100 %
Employee costs	(9,651,898)	(77,150)	(9,729,048)-		-	(9,729,048)	(9,909,720)-		(180,672)	102 %	103 %
Remuneration of councillors	(107,947)	(11,953)	(119,900)-		-	(119,900)	(119,344)-		556	100 %	111 %
						(649,219)					
Debt impairment	(649,219)	-	(649,219)			(2,017,926)	(2,079,746)-		(1,430,527)	320 %	320 %
Depreciation and asset impairment	(2,017,502)	(424)	(2,017,926)				(2,293,051)-		(275,125)	114 %	114 %
Finance charges	(1,466,337)	596,793	(869,544)-		-	(869,544)	(852,316)-		17,228	98 %	58 %
Materials and bulk purchases	(10,840,262)	(735,989)	(11,576,251) -		-	(11,576,251)	(11,414,637) -		161,614	99 %	105 %
Transfers and grants	(226,275)	(212,883)	(439,158) -		-	(439,158)	(476,444) -		(37,286)	108 %	211 %
Other expenditure	(7,212,256)	320,940	(6,891,316)-		-	(6,891,316)	(6,238,890)-		652,426	91 %	87 %
Total expenditure	(32,171,696)	(120,666)	(32,292,362)-	-		(32,292,362)	(33,384,148)-		(1,091,786)	103 %	104 %
Surplus/(Deficit)	688,092	(462,954)	225,138	-		225,138	(580,476)		(805,614)	(258)%	(84)%

eThekweni Municipality and its Municipal Entities

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Appropriation Statement

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Transfers recognised - capital	3,807,036	(840,623)	2,966,413	-	-	2,966,413	2,640,455		(325,958)	89 %	69 %
Surplus (Deficit) after capital transfers and contributions	4,495,128	(1,303,577)	3,191,551	-	-	3,191,551	2,059,979		(1,131,572)	65 %	46 %
Share of (surplus) deficit of associate	-	-	-	-	-	-	2,031		2,031	- %	DIV/0 %
Surplus/(Deficit) for the year	4,495,128	(1,303,577)	3,191,551	-	-	3,191,551	2,057,948		(1,133,603)	64 %	46 %

Capital expenditure and funds sources

Total capital expenditure	7,247,283	(771,489)	6,475,794	-	-	6,475,794	4,766,075		(1,709,719)	74 %	66 %
Sources of capital funds											
Transfers recognised - capital	3,807,036	(840,623)	2,966,413	-	-	2,966,413	2,640,455		(325,958)	89 %	69 %
Borrowing	1,000,000	(800,501)	199,499	-	-	199,499	184,689		(14,810)	93 %	18 %
Internally generated funds	2,440,247	869,635	3,309,882	-	-	3,309,882	1,940,931		(1,368,951)	59 %	80 %
Total sources of capital funds	7,247,283	(771,489)	6,475,794	-	-	6,475,794	4,766,075		(1,709,719)	74 %	66 %

eThekwini Municipality and its Municipal Entities

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Appropriation Statement

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget outcome	Actual	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Cash flows											
Net cash from (used) operating	5,969,588	(596,719)	5,372,869	-		5,372,869	5,140,751		(232,118)	96 %	86 %
	(7,224,851)	2,584,712	(4,640,139)	-		(4,640,139)	(4,672,956)		(32,817)	101 %	65 %
Net cash from (used) investing	345,236	(1,077,316)	(732,080)	-		(732,080)	(674,885)		57,195	92 %	(195)%
Net cash from (used) financing	(910,027)	910,677	650	-		650	(207,090)		(207,740)	(31,860)%	23 %
Net increase/(decrease) in cash and cash equivalents	6,031,239	-	6,031,239	-		6,031,239	6,305,316		274,077	105 %	105 %
Cash and cash equivalents at the beginning of the year	5,121,212	910,677	6,031,889	-		6,031,889	6,098,226		66,337	101 %	119 %

eThekwini Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

ACCOUNTING POLICIES

1. Basis of preparation

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5. These accounting policies and the applicable disclosures have been based on the South African Statements of Generally Accepted Accounting Practices (SA GAAP) including any interpretations of such Statements issued by the Accounting Practices Board.

Entities are required to apply the Standards of GRAP where the Minister has determined the effective date. Only Standards of GRAP, IGRAP Standards, Directives, Guidelines and IFRS Standards applicable to the Municipality and its entities have been disclosed. The Minister has determined the effective date for the following Standards of GRAP:

GRAP 1 Presentation of Financial Statements GRAP 2
Cash Flow Statements
GRAP 3 Accounting Policies, Changes in Accounting Estimates and Errors GRAP 4
The Effects of Changes in Foreign Exchange Rates
GRAP 5 Borrowing Costs
GRAP 6 Consolidated and Separate Financial Statements GRAP 7
Investments in Associates
GRAP 8 Interest in Joint Ventures
GRAP 9 Revenue from Exchange Transactions GRAP
11 Construction Contracts
GRAP 12 Inventories
GRAP 13 Leases
GRAP 14 Events after the Reporting Date GRAP
16 Investment Properties
GRAP 17 Property, Plant and Equipment
GRAP 18 Segment Reporting (Not yet effective for municipalities) GRAP 19
Provisions, Contingent Liabilities and Contingent Assets GRAP 21 Impairment
of Non-cash-generating Assets
GRAP 23 Revenue from Non-exchange Transactions (Taxes and Transfers) GRAP
24 Presentation of Budget Information in Financial Statements GRAP 25 Employee
Benefits
GRAP 26 Impairment of Cash-generating Assets GRAP 27
Agriculture GRAP
GRAP 31 Intangible Assets
GRAP 100 Discontinued Operations GRAP
103 Heritage Assets
GRAP 104 Financial Instruments
GRAP 105 Transfer of Functions between Entities Under Common Control GRAP 106
Transfer of Functions between Entities Not Under Common Control GRAP 107
Mergers

eThekwini Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

ACCOUNTING POLICIES

Directives issued and effective:

Directive 1: Repeal of Existing Transitional Provisions in, and Consequential Amendments to, Standards of GRAP
Directive 2: Transitional Provisions for Public Entities, Trading Entities, Municipal Entities, Public Further Education and Training Colleges and Constitutional Institutions.
Directive 3: Transitional Provisions for High Capacity Municipalities.
Directive 5: Determining the GRAP reporting framework.
Directive 7: The Application of Deemed Cost on the Adoption of Standards of GRAP
Directive 9: The Application of The Standards of GRAP by Trading Entities
Directive 11: Changes in the Measurement Bases following Initial Adoption of Standards of GRAP

Interpretations of the Standards of GRAP

IGRAP 1: Applying the Probability Test on Initial Recognition of Exchange Revenue
IGRAP 2: Changes in Existing Decommissioning, Restoration and Similar Liabilities
IGRAP 3: Determining Whether an Arrangement Contains a Lease
IGRAP 4: Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IGRAP 7: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
IGRAP 8: Agreements for the Construction of Assets from Exchange Transactions
IGRAP 9: Distributions of Non-cash Assets to Owners
IGRAP 10: Assets Received from Customers
IGRAP 11: Consolidation - Special Purpose Entities
IGRAP 12: Jointly Controlled Entities - Non-Monetary Contributions by Venturers
IGRAP 13: Operating Leases – Incentives
IGRAP 14: Evaluating the Substance of Transactions Involving the Legal Form of a Lease
IGRAP 15: Revenue – Barter Transactions Involving Advertising Services
IGRAP 16: Intangible Assets - Website Costs

Approved guidelines of Standards of GRAP:

Guide 1: Guideline on Accounting for Public Private Partnerships

Effective IFRS's and IFRIC's that are applied considering the provisions in paragraphs .21 to .27 of the Directive:

IFRS 4 (AC 141) Insurance Contracts
IAS 12 (AC 102) Income Taxes
SIC - 25 (AC 425) Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
SIC - 29 (AC 429) Service Concession Arrangements - Disclosures
IFRIC 12 (AC 445) Service Concession Arrangements
IFRIC 21 Levies

Standards of GRAP that an entity may use to disclose information in its financial statements:

GRAP 20 Related Party Disclosures

Standards of GRAP and Interpretations of Standards of GRAP approved, but not yet effective:

GRAP 20: Related Party Disclosures-issued June 2011:
Compliance with this standard would have had an effect on the presentation only. Related party transactions have been disclosed in accordance with IPSAS 20.
GRAP 32 and IGRAP 17: Service Concession Arrangements: Grantor - issued August 2013:

Compliance with this standard will not have an impact on the current financial information as no transactions relating to service concession arrangements exists in the current year

GRAP 108: Statutory Receivables - issued September 2013:

Compliance with this standard would have had an effect on presentation and disclosure only. GRAP 108 requires separate disclosure of statutory receivables together with additional disclosure on measurement basis and impairment criteria

GRAP 109: Accounting by Principals and Agents issued July 2015:

Compliance with this standard would have had an effect on presentation and disclosure. The information disclosed in accordance with this Standard shall be provided for each material principal-agent arrangement and in aggregate for other principal-agent arrangements.

eThekwini Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

ACCOUNTING POLICIES

A summary of the significant accounting policies are disclosed below. These accounting policies are consistent with the previous year, unless otherwise stated.

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the Municipality and its entities..

1.2 Going concern assumption

These annual financial statements have been prepared on a going concern basis.

1.3 Consolidation

Basis of consolidation

Consolidated annual financial statements are the annual financial statements of the group presented as those of a single entity.

The consolidated annual financial statements incorporate the statements of the municipality and municipal entities controlled by the municipality, joint ventures and the transport authority.

On acquisition, the assets and liabilities of any entity are measured at their fair values at the date of acquisition. The interests of outstanding shareholders are stated at the minority's proportion of the fair values of the assets and liabilities recognised.

The results of entities acquired or disposed during the year are included in the consolidated statement of financial performance from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustment are made to the annual financial statements of municipal entities to bring the accounting policies used into those used by the municipality and other entities included in the group.

All significant transactions and balances between members of the group are eliminated on consolidation.

1.4 Housing development fund

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the Municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

1.5 Retirement Benefits

1.5.1 Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

eThekwini Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

ACCOUNTING POLICIES

1.5 Retirement Benefits (continued)

1.5.2 Defined contribution plans

The Municipality provides retirement benefits for its employees and councillors. Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the Municipality's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

The KZN Municipal Pension Fund is a defined contribution fund. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year they become payable.

The Natal Joint Provident Fund, Multi Linked and South African Local Authority are defined contribution funds.

The Municipality pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Municipality has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

eThekweni Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

ACCOUNTING POLICIES

1.5 Retirement Benefits (continued)

1.5.3 Pension obligations

The Municipality and its employees contribute to 8 different Pension Funds, of which 2 (Durban Pension Fund and the KZN Pension Fund) cater for more than 86% of staff.

The Municipality has both defined benefit and defined contribution plans.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

A defined contribution plan is a pension plan under which the Municipality pays fixed contributions into a separate entity. The Municipality has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The following are defined benefit funds:

Durban Pension Fund

Government Employee's Pension Fund

Natal Joint Municipal Pension Fund - Superannuation

Natal Joint Municipal Pension Fund - Retirement Durban Pension Fund

The following are defined contribution funds: KZN

Pension Fund

Multi Linked SALA

The other fund is a Provident Fund administered by Natal Joint Municipal Pension Fund.

Actuarial valuations are conducted on an interim basis each year with a statutory valuation undertaken every three years. Consideration is given to any extent that could impact the Funds up to the end of the reporting period where the interim valuation is performed at an earlier date.

Actuarial gains and losses are recognised in the year that they arise, in the Statement of Financial Performance.

The schemes are funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations.

The liability/asset recognized in the statement of financial position in respect of defined benefit pension plans is equal to the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates, best approximated by reference to market yields at the reporting date on government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Past-service costs are recognised immediately in the statement of financial performance.

Any asset is limited to the net total of the present value of the defined benefit obligation at the reporting date minus the fair value at the reporting date of plan assets plus any liability that may arise as a result of a minimum funding requirement, and the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Durban Marine Theme Park (proprietary) limited reimburses uShaka Management (Pty) Ltd for the cost of the provident fund which is governed by the pension's funds act of 1956. Contributions are based on a percentage of the payroll and charged to the statement of financial performance in the year to which they relate.

All staff of the I.C.C (proprietary) Limited are members of the I.C.C pension fund which is defined contribution fund.

eThekwini Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

ACCOUNTING POLICIES

1.5 Retirement Benefits (continued)

1.5.4 Other post-employment benefit obligations

The Municipality provides post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using an accounting methodology similar to that used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions, are charged or credited to the statement of financial performance in the year that they arise.

Multi-Employer Retirement Benefit Plans

The Municipality contributes to Government Employees Pension Fund, Natal Joint Super Annuation and Retirement Funds which are Defined Benefit Funds. The Municipality's liability in these funds could not be determined owing to the fact that the assets are not being allocated to each employer and only one set of annual financial statements are compiled for each fund not per employer. Further details of this plan are included in note 21.

1.6 Significant Judgements

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements.

Significant judgements include:

Post Retirement Benefits and Multi-Employer Retirement Benefit Plans

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

The Municipality determines the appropriate discount rate at the end of each year using the actuarial valuation. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Municipality considers the interest rates that are best approximated by reference to market yields at the reporting date on government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in notes. The Municipality contributes to Natal Joint Super Annuation and Retirement Funds which are Defined Benefit Funds. The Municipality's liability in these funds could not be determined owing to the fact that the assets are not being allocated to each employer and only one set of financial statements are compiled for each fund not per employer. Further details of this plan is included in the notes to the annual financial statements.

Provision for impairment of trade receivables

The provision for impairment is measured as the difference between the asset's carrying amount and the present value of estimated recoverable future cash flow based on past recovery trends.

Non-cash generating and cash generating impairment testing

Management used the fair value less cost to sell to determine the recoverable amount of assets with an indefinite useful life and identifying assets that may have been impaired.

All assets owned/recognised by the municipality are held for the provision of basic services and are considered to be non-cash generating assets.

eThekwini Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

ACCOUNTING POLICIES

1.6 Significant Judgements (continued)

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in the notes to the annual financial statements.

Provisions are measured at the Head of Department's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

A provision is recognised when:

- the Municipality has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Fine revenue

Fine revenue is recognised after taking into account the probability of future withdrawals and reductions. The probability of withdrawals and reductions is based on a 5 year past trend of gross charges issued which are likely to be disputed. The success rate of the disputed fines is taken into account in calculating the probability of withdrawals and reductions.

eThekwini Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

ACCOUNTING POLICIES

1.7 Investment property

Initial Recognition

Investment property includes property (land or a building, or part of a building) held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, or the sale of an asset in the ordinary course of operations.

At initial recognition, investment property is measured at cost including transaction costs once it meets the definition of investment property. The cost of an item of investment property is recognised as an asset only if:

- (a) it is probable that future economic benefits or service potential associated with the item will flow to the entity, and
- (b) the cost or fair value of the item can be measured reliably.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property.

However, where an investment property was acquired through a non-exchange transaction (i.e. where it acquired the investment property for no or a nominal value), its cost is its fair value as at the date of acquisition.

The cost of self-constructed investment property is the cost at date of completion.

Subsequent Measurement

Investment property is measured using the cost model. Under the cost model, investment properties are carried at cost less any accumulated depreciation and any accumulated impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life. Transfers from investment properties are made when the particular asset no longer meets the definition of investment properties.

Depreciation

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. All assets are considered to have a nil residual value. The lives of the assets are revised using the indicator based approach. Any changes in the depreciation method and useful lives are recognized as a change in accounting estimate in the Statement of Financial Performance. This change in estimate is applied prospectively. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The annual depreciation rates are based on the following estimated average asset lives:

Item	Useful life
Property – land	indefinite
Property – buildings	10 - 80 years

Derecognition and Impairment

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal. Gains or losses arising from the retirement or disposal of investment property shall be determined as the difference between the net disposal proceeds and the carrying amount of the asset and shall be recognised in the Statement of Financial Performance in the period of the retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up shall be recognised in the Statement of Financial Performance when the compensation becomes receivable.

Impairment testing is done where there is an indication that a property may be impaired. An assessment of whether there is an indication of possible impairment is done during each reporting period. Where the carrying amount of an item of an investment property is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

eThekwini Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

ACCOUNTING POLICIES

1.8 Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services, to meet service delivery objectives, for rental to others, or for administrative purposes; and are expected to be used during more than one reporting period.

Initial Recognition

Property, plant and equipment are stated at cost. The cost of an item of property, plant and equipment is recognised as an asset only if:

- (a) it is probable that future economic benefits or service potential associated with the item will flow to the entity, and
- (b) the cost or fair value of the item can be measured reliably.

Where an asset is acquired for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Subsequent Measurement

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life. Transfers from property, plant and equipment are made when the particular asset no longer meets the definition of property, plant and equipment.

Depreciation and Impairment:-

Depreciation is calculated on cost, using the straight-line method over the estimated useful lives of the assets. Depreciation is calculated as soon as the asset becomes available for its intended use. All assets are considered to have a nil residual value. When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. The estimated useful lives of the assets are revised using the indicator-based approach. Any changes in the depreciation method and useful lives are recognised as a change in accounting estimate on the Statement of Financial Performance. This change in estimate is applied prospectively.

However, if the asset has already reached the end of its estimated useful life, the change in useful life must be accounted for retrospectively as a correction of a prior period error in determination of the new useful life. This change would have an impact on accumulated surplus and the balance sheet.

The annual depreciation rates are based on the following estimated asset lives:

Details	Years
Infrastructure	
• Engineering infrastructure - Rivers and Coastal Engineering	20 - 80 years
• Roads and Motorways	20 - 80 years
• Economic Development	20 years
• Traffic Equipment	10 - 80 years
• Stormwater Drainage	20 - 80 years
• Airport Infrastructure	15 - 80 years
• Solid Waste	3 - 30 years
• Water and Sanitation	20 - 80 years
• Major Substations: Buildings	30 - 50 years
• Transformers and Related Equipment	30 - 45 years
• Mains	30 - 55 years
• Street Lighting	20 - 30 years
• Conventional and Prepaid Metering	15 - 25 years
Community	
• Buildings	20 - 80 years
• Recreational Facilities	10 - 80 years
Other property, plant and equipment	
• Buildings	20 - 80 years
• Markets and Informal Markets	15 - 30 years
• Fire Engines	20 years
• Landfill Sites	3 - 80 years
• Car Parks	15 years

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1.8 Property, plant and equipment (continued)

• Fencing	20 years
• Lifts	20 years
• Building Improvements	10 years
• Heavy and Mobile Plant	7 - 10 years
• Furniture and fitting	2 - 20 years
• Vehicle	3 - 11 years
• Bins and containers	5 years
• Plant – General	5 years
• Security Systems	5 - 15 years
• Office equipment	5 - 7 years
• Air conditioning	5 - 15 years
• Public Address Systems	15 years
• Turnstiles	15 years
• Electrical	20 years
• Mechanical	20 years
• Hostels	20 - 80 years
• Library Books	5 - 10 years
• Other items of Plant and Equipment	3 - 5 years
• Biological Assets	5 - 85 years

Biological assets refer to living animals or plants eg. horses, dogs, birds and maritime species. The estimated useful lives of the assets are revised using the indicator based approach, compared to the annual assessment in the prior years. This is due to the GRAP amendments effective in the current financial year. Any changes in the depreciation method and useful lives are recognised as a change in accounting estimate in the Statement of Financial Performance. Impairment testing is done where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting period.

Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

All assets are considered to have a nil residual value.

Derecognition:

Items of Property, Plant and Equipment are derecognised when the asset is disposed of or when there is no further economic benefit or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying value and is recognised in the Statement of Financial Performance.

Where part of an asset is replaced, the component being replaced is derecognised and the new component is capitalised. Subsequent expenditure on an asset is capitalised when it increases the capacity or future economic benefits associated with the asset.

The Municipality has an obligation to rehabilitate its landfill sites in terms of its licence stipulations. Provision is made for this obligation in accordance with the Municipality's accounting policy on non-current provisions – see Accounting Policy 1.26 on Provisions.

eThekwini Municipality and its Municipal Entities

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ACCOUNTING POLICIES

1.9 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance.

Initial Recognition

Intangible assets are initially measured at cost and comprise of software and servitudes. The cost of an item of intangible assets is recognised as an asset only if:

- (a) it is probable that future economic benefits or service potential associated with the item will flow to the entity, and
- (b) the cost or fair value of the item can be measured reliably.

Where an intangible asset is acquired for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Internally generated intangible assets are subject to strict recognition criteria before they are capitalised. Research expenditure is never capitalised, while development expenditure is only capitalised to the extent that:

- There is an intention to complete the intangible asset for use or sale.
- It is technically feasible to complete the intangible asset.
- There are resources to complete the project.
- It is probable that future economic benefits or service potential will be received..
- Its ability to use or sell the intangible asset.
- Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Computer software is capitalised to computer equipment where it forms an integral part of computer equipment.

Servitudes are classified as intangible assets. Servitudes are rights that are not amortised as they have an indefinite useful life.

Subsequent Measurement

Intangible assets are subsequently carried at cost less accumulated amortisation and impairments. The cost of an intangible asset is amortised over the useful life where that useful life is finite. Where the useful life is indefinite, the asset is not amortised but is subject to an annual impairment test. Expenditure on an intangible asset is recognised as an expense when it is incurred unless it forms part of the cost of an intangible asset that meets the recognition criteria. Residual value of intangible assets is estimated to be nil. Transfers from intangible assets are made when the particular asset no longer meets the definition of an intangible asset.

Amortisation and Impairment

Intangible assets are amortised on a straight line method over their estimated useful lives, as follows:-

Details	Years
Computer Software	5 - 20 years

The estimated useful lives of the assets are revised using the indicator based approach. Any changes in the amortisation method and useful lives are recognized as a change in accounting estimate in the Statement of Financial Performance. This change in estimate is applied prospectively. Impairment testing for intangible assets with finite useful lives is done where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of an intangible asset is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

Derecognition:

Intangible assets are derecognized when the asset is disposed of or when there is no further economic benefit or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the net proceeds and the carrying value and is recognised in the Statement of Financial Performance.

1.10 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

eThekweni Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

ACCOUNTING POLICIES

1.10 Heritage assets (continued)

Initial Recognition

A heritage asset that qualifies for recognition as an asset is measured at its cost and any costs directly attributable to bringing the heritage asset to the location and condition necessary for it to be capable of operating in the manner intended by the Municipality. The cost of an item of heritage assets is recognised as an asset only if:

- (a) it is probable that future economic benefits or service potential associated with the item will flow to the entity, and
- (b) the cost or fair value of the item can be measured reliably.

Where a heritage asset is acquired through a non-exchange transaction, its deemed cost is to be measured at its fair value as at the date of acquisition. If at initial recognition, the Municipality cannot reliably measure its cost, the relevant and useful information about the heritage asset is disclosed in the notes to the annual financial statements.

Subsequent measurement

Subsequent to initial recognition, heritage assets are measured at cost less accumulated impairment losses i.e. cost model. Transfers from heritage assets are made when the particular asset no longer meets the definition of a heritage asset.

Depreciation and Impairment

Heritage assets are not depreciated but assessed at each reporting date whether there is an indication that it may be impaired. Where the carrying amount of an item of heritage assets is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

Derecognition

Heritage assets are derecognised when the asset is disposed of or when there is no further economic benefit or service potential expected from the use or disposal of the asset. The gain or loss arising on the disposal or retirement of a heritage asset is recognised in the Statement of Financial Performance.

1.11 Investments in Municipal Entities

Group annual financial statements

Investments in controlled entity are consolidated in the group annual financial statements. Refer to the accounting policy on Consolidations (Note 1.3).

Municipality annual financial statements

Investments in municipal entities are initially recognised at cost.

Subsequently they are accounted for at cost less any accumulated impairment.

The Municipality assesses at each reporting date whether there is any indication that an investment in municipal entities may be impaired. If any such indication exists, the Municipality estimates the recoverable amount of the investment in municipal entities. The impairment loss is measured as the difference between the investment's carrying amount and the estimated recoverable amount.

A reversal of an impairment loss of investments in municipal entities carried at cost is recognised immediately in the Statement of Financial Performance.

1.12 Interest in Joint Ventures

Group annual financial statements

An interest in a joint venture is accounted for using the proportionate consolidation method. Under the proportionate consolidation method the group's share of each of the assets, liabilities, revenue and expenses of the investment is combined line by line with similar items in the group annual financial statements. The use of proportionate consolidation is discontinued from the date on which it ceases to have joint control over a jointly controlled entity.

eThekwini Municipality and its Municipal Entities

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ACCOUNTING POLICIES

1.12 Interest in Joint Ventures (continued)

Municipality annual financial statements

An investment in a joint venture is initially recognised at cost.

Subsequently the investment is carried at cost less any accumulated impairment taking into account the Municipality's share of profits or losses, resulting from operations of the joint venture, on the accrual basis. The share of losses are limited to the carrying amount of the joint venture and as a result if the interest in the joint venture is considered to be fully impaired or if the accumulated losses are equal to the cost of the interest in the joint venture, there will be no further losses recognised from the joint venture.

The Municipality assesses at each reporting date whether there is any indication that an investment in a joint venture may be impaired. If any such indication exists, the Municipality estimates the recoverable amount of the investment in a joint venture. The impairment loss is measured as the difference between the investment's carrying amount and the estimated recoverable amount.

The recoverable amount of an investment in a joint venture is the higher of its fair value less costs to sell and its value in use.

A reversal of an impairment loss of investments in a joint venture carried at cost is recognised immediately in the Statement of Financial Performance.

1.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

Initial recognition

Financial instruments are initially recognised at fair value. In the case of a financial instrument not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial instrument are added to the fair value.

Financial instruments are categorised according to their nature as either financial instruments at fair value, held at amortised cost, or held at cost. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

eThekweni Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

ACCOUNTING POLICIES

1.13 Financial instruments (continued)

Subsequent measurement of financial assets and financial liabilities Loans to

municipal entities

Loans to municipal entities are initially recognised at fair value plus any transaction costs. Subsequently the loans are measured at cost.

An impairment loss is recognised in the Statement of Financial Performance when there is objective evidence that it is impaired. The impairment is measured as the difference between the investment's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Debtors

Debtors are initially recognised at fair value plus any transaction costs.

Debtors are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

An allowance for impairment of debtors is established when there is objective evidence that the full amount due will not be collectable according to the original terms of the debtors.

The provision for impairment is measured as the difference between the asset's carrying amount and the estimated recoverable amount based on the categorisation of debts and a review of past trends in collection rates applied to all outstanding amounts at year-end. Impairment losses are recognised in the Statement of Financial Performance.

Bad debts are written off during the year in which they are identified against the provision for impairment on the Statement of Financial Position. If no such provision for impairment was raised the bad debts are written off on the Statement of Financial Performance.

Creditors

Trade payables are initially measured at fair value plus any transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

These are initially and subsequently recorded at fair value.

For cash flow purposes cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments, and bank overdrafts.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

Borrowings and other financial liabilities

Borrowings are recognised initially at fair value plus any transaction costs. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of Financial Performance over the period of the borrowings using the effective interest method.

Long term borrowings are non-derivative financial loans and the Municipality does not hold financial loans for trading purposes. Long term borrowings are utilised solely for funding capital projects and the book value is disclosed at amortised cost.

Other financial liabilities are initially recognised at fair value plus any transaction costs. Subsequently they are measured at amortised cost.

Loans and receivables

eThekwini Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

ACCOUNTING POLICIES

1.13 Financial instruments (continued)

Loans and receivables are initially measured at fair value plus any transaction costs.

Subsequently they are measured at amortised cost using the effective interest method, less provision for impairment.

A provision for impairment is established when there is objective evidence that the full amount due will not be collectable according to the original terms. The provision for impairment is measured as the difference between the asset's carrying amount and the estimated recoverable future cash flow based on past recovery trends. Impairment losses are recognised in the Statement of Financial Performance.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and with no intention of trading. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are included in trade and other receivables in the Statement of Financial Position.

Fixed and Negotiable Deposits

Fixed and negotiable deposits are non-derivative financial assets with fixed or determinable payments and fixed maturities that are held to maturity.

Fixed and negotiable deposits are initially measured at fair value plus any transaction costs and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

The provision for impairment is measured as the difference between the asset's carrying amount and the estimated recoverable future cash flow based on past recovery trends. Impairment losses are recognised in the Statement of Financial Performance.

1.14 Taxation

Deferred tax assets and liabilities

A deferred tax asset is recognised for the carry forward of unused tax losses and unused STC credits to the extent that it is probable that future taxable surplus will be available against which the unused tax losses and unused STC credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The Municipality is exempted from income tax in terms of section 10(1)(a) of the Income Tax Act.

Deferred Income tax with respect to Municipal Entities is provided in full, using the liability method, on temporary differences arising between the tax basis of asset and liabilities and their carrying amounts in the financial Statements. Currently enacted tax rates are used to determine deferred income tax.

Deferred tax asset are recognised to the extent that it is probable that the future taxable profit will be available against which temporary differences will be utilised.

1.15 Long Service Awards

Provision for long service awards represents the present value of the estimated future cash outflows to be made by the Municipality resulting from employee services provided up to Statement of Financial position date. The provision comprises amounts that the Municipality has a present obligation to pay resulting from employees services provided up to Statement of Financial position date.

eThekweni Municipality and its Municipal Entities

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ACCOUNTING POLICIES

1.16 Leases

Operating leases - The Municipality as lessor

Assets leased to third parties under operating leases are included in investment properties and property, plant and equipment in the Statement of Financial Position.

They are depreciated over their expected useful lives (land is not depreciated) on a basis consistent with similar owned investment properties and property, plant and equipment. Rental income (net of any incentives given to lessees) is recognised over the lease term.

Operating leases - The Municipality as lessee

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Financial Performance on a straight-line basis over the period of the lease.

1.17 Inventories

Initial Recognition

Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus taxes (other than those subsequently recovered from the taxing authorities), transport costs and any other costs in bringing the inventories to their current location and condition as intended by management. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Subsequent Measurement

Inventories are subsequently measured at the lower of cost and net realisable value using the weighted average method as the basis to determine cost. Net realisable value is the estimated selling price in the ordinary course of operations. When inventories are sold, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs. Consumable stores, maintenance materials and water stock are valued at the lower of cost and net realisable value. In general, the basis of determining cost is the weighted average method. Unsold properties are valued at the lower of cost and net realisable value on a weighted average cost basis. Direct costs are accumulated for each separately identifiable development. Costs also include a proportion of overhead costs. Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values.

1.18 Impairment of cash-generating assets

All assets held with the primary objective of generating a commercial return are classified as cash generating assets. An assessment for impairment is done at each reporting date, or more frequently where events or changes in circumstances indicate that an asset may be impaired. When such an indication exists, the recoverable amount of the asset is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. A cash generating unit is the smallest identifiable group of assets held with the primary objective of generating a commercial return.

An impairment loss of a cash-generating unit is allocated to decrease the carrying amount of the assets of the unit on a pro-rata basis, based on the carrying amount of each asset in the unit. After allocating the impairment loss, the carrying amount should be the highest of, its fair value less cost to sell; or value in use; or zero.

A reversal of an impairment loss for a group of assets / cash-generating unit should be allocated to the cash-generating assets of the unit, pro-rata with the carrying amount of those assets.

If the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired and is recognised immediately in the Statement of Financial Performance.

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ACCOUNTING POLICIES

1.19 Impairment of non-cash-generating assets

Non-cash-generating assets are those assets held without an intention of generating a commercial return and held primarily for service delivery purposes. All assets held with the primary objective of not generating a commercial return are classified as non-cash generating assets. Management will apply its judgment and disclose the criteria used in making such judgment in cases where it's not clear whether the primary objective is to generate a commercial return or not.

An assessment for impairment is done at each reporting date, or more frequently where events or changes in circumstances indicate that an asset may be impaired. If any such indication exists, the recoverable service amount of the asset is determined. The recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use. If the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired and is recognised immediately in the Statement of Financial Performance.

An impairment loss is when the asset's carrying amount exceeds its recoverable service amount and is recognised in the Statement of Financial Performance.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in the Statement of Financial Performance. The increase in the carrying amount of an asset due to the reversal of an impairment loss should not exceed what the carrying amount would have been if no impairment loss had been recognised.

Intangible assets with indefinite useful lives and not yet available for use are tested for impairment annually, irrespective of whether any indication of impairment exists.

1.20 Share capital / contributed capital

An equity instrument is any contract that evidences a residual interest in the assets of a group after deducting all of its liabilities.

1.21 Grants, Transfers and Donations

Income received from conditional grants, donations and subsidies is recognised to the extent that the Municipality and its entities have complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met, a liability is recognised and funds are invested until utilised.

Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder, it is recorded as part of the creditor. If it is to be retained, it is recognised as interest earned in the Statement of Financial Performance.

Grants and receipts of a revenue nature: Income is transferred as revenue to the Statement of Financial Performance to the extent that the criteria, conditions or obligations have been met.

1.22 Budget Information

The budget has been included in the Annual Financial Statements in accordance with GRAP 24. An approved budget is the anticipated revenue and expenditure expected to apply in the annual or multi-year period based on current plans and approved by the Municipal Council. Final budget is the approved budget adjusted for transfers, allocations, supplemental appropriations and other changes applicable to the budget period. The budget has been included in the Annual Financial Statements in accordance with the disclosure recommendations determined by National Treasury.

Comparative information is not required.

1.23 Related Parties

Parties are considered to be related if one party directly or indirectly has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions or is a member of the key management of the Municipality, or vice versa, or an entity that is subject to common control, or joint control.

eThekwini Municipality and its Municipal Entities

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ACCOUNTING POLICIES

1.24 Commitments

A capital commitment is a binding agreement to undertake capital expenditure at some set time in the future which has not yet become an actual liability.

An operating commitment is a binding agreement to undertake operating expenditure at some set time in the future which has not yet become an actual liability.

1.25 Post-reporting date events

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the annual financial statements are authorised for issue.

Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date);
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

Amounts recognised in the annual financial statements will be adjusted to reflect adjusting events after the reporting date once the event occurred. The nature of the event will be disclosed as well as an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the annual financial statements.

1.26 Provisions and contingencies

Provisions are recognised when:

- there is a present or constructive obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

Provisions are reviewed at reporting date and adjusted to reflect the current best estimate.

Where the effect is material, non-current provisions are discounted to their present value using a prevailing prime rate at year end which reflects the market's current assessment of the time value of money, adjusted for risks specific to the liability, if any (for example in the case of obligations for the rehabilitation of land). The Municipality uses the prevailing prime rate at year end.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 42.

1.27 Revenue

Revenue comprises of the consideration received or receivable for the sale of goods and services in the ordinary course of the activities of the Municipality and its entities. Revenue is shown net of value added tax, estimated returns, rebates and discounts and after eliminating revenue within departments.

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- The significant risks and rewards of ownership of the goods have been transferred;
- There is no continuing managerial involvement to the degree usually associated with ownership over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Municipality and its entities;
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is recognised as follows:

eThekweni Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

ACCOUNTING POLICIES

1.27 Revenue (continued)

1.27.1 Revenue from exchange transactions

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value to another entity in exchange.

Service charges relating to electricity and water are based on consumption. Meters are read on a quarterly basis and are recognised as revenue when invoiced. Bulk electricity meters are read monthly.

Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which the meters have been read. These adjustments are recognised as revenue in the invoicing period. Revenue from the sale of electricity prepaid meter cards are recognised at the point of sale.

Service charges relating to refuse removal are recognised on a monthly basis by applying the approved tariff to each property based on the category of property and the property value.

Service charges from sewerage and sanitation are based on water consumption and are levied monthly. Interest and rentals are recognised on a time proportion basis.

Dividends are recognised on the date that the Municipality becomes entitled to receive the dividend.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant gazetted tariff. This includes the issuing of licences and permits.

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

Finance income from the sale of housing by way of instalment sales agreements or finance leases is recognised on a time proportion basis.

Revenue from the sale of goods is recognised when the risk is passed to the consumer.

Revenue from public contributions is recognised when all conditions associated with the contribution have been met. Where public contributions have been received but the condition has not been met, a liability is recognised.

All other revenue is recognised as it accrues.

Durban Marine Theme Park recognises revenue from entrance parking fees and sales immediately upon receipt.

1.27.2 Revenue from non-exchange transactions

This refers to transactions where revenue is received from another entity without giving approximately equal value in exchange.

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis with reference to the principal amount and the effective interest rate applicable.

Fines constitute both spot fines and summonses. Revenue from spot fines and summonses is recognised based on management's best estimate of the probable inflows.

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, at the fair value of the consideration received or receivable.

Contributed property, plant and equipment is recognised when ownership of the items of property, plant and equipment is transferred.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No. 56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

eThekwini Municipality and its Municipal Entities

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ACCOUNTING POLICIES

1.27 Revenue (continued)

All other revenue is recognised as it accrues.

1.28 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred, regardless of how the borrowing costs are applied.

1.29 Translation of foreign currencies

Foreign currency transactions

Transactions in foreign currencies are initially recorded at the prevailing exchange rate on the dates of the transactions. Monetary assets and liabilities denominated in such foreign currencies are retranslated at the rates prevailing at the reporting date. Exchange differences are included in the Statement of Financial Performance.

1.30 Comparatives information

1.30.1 Current year comparatives

Budgeted amounts have been included in an Annexure to these financial statements for the current financial year only.

1.30.2 Prior year comparatives

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.31 Unauthorised expenditure

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No. 56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance. Where unauthorised expenditure is not approved, upon the finalisation of an investigation, it is recovered from the responsible person and the amount received is accounted for as revenue in the Statement of Financial Performance.

1.32 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. If the expenditure is not condoned by the relevant authority, upon the finalisation of an investigation, it is accounted for as a current asset in the Statement of Financial Position until such time as the expenditure is recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

1.33 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No. 56 of 2003), the Municipal Systems Act (Act No. 32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance. If the expenditure is not condoned by the relevant authority, upon the finalisation of an investigation, it is treated as a current asset until it is recovered or written off as irrecoverable in the Statement of Financial Performance.

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1.34 Principal- agent arrangements

Management assesses whether the Municipality is party to any principal-agent arrangements. Should the Municipality be party to such an arrangement, management will assess whether it is a principal or an agent in the arrangement. The Municipality is an agent if the following criteria are met:

- (a) It does not have the power to determine the significant terms and conditions of the transaction.
- (b) It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- (c) It is not exposed to variability in the results of the transaction.

If this criteria is not met, then the Municipality is considered to be a principal in the arrangement.

A principal recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement using management's best estimates.

An agent recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal.

An entity recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of other Standards of GRAP.

Changes in the liability are added to, or deducted from, the cost of the related asset in the current financial year. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit and if the adjustment results in an addition to the cost of an asset, the Municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable.

If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment.

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
2. Inventories				
Unsold Properties held for re-sale	124,903	138,195	-	-
Food and beverages	4,546	3,562	-	-
Consumable stores	558,800	436,388	558,082	435,439
Maintenance materials	89	57	89	57
Water	18,157	15,714	18,157	15,714
Merchandise	2,851	3,080	-	-
709,346		596,996	576,328	451,210

The cost of inventories recognised as an expense during the period in respect of water sales was R2 154m (2017: R1 799m).

3. Investments

At amortised cost

Fixed deposit	5,880,431	5,932,097	5,700,000	5,750,000
Current assets				
Fixed Deposit	5,880,431	5,932,097	5,700,000	5,750,000

Investments are non-derivative financial assets and are subsequently measured at amortised cost and are held to maturity. The Municipality does not hold its investments for trading purpose. Management determines the classification of its investments at the time of acquisition and re-evaluates such declaration on an annual basis. Investments held for less than twelve months are classified as current assets. Investments with maturities greater than twelve months are classified as non-current assets.

4. Receivables from exchange transactions

Provision for Bad debts - Other (mainly in respect of Sundry services and interest on outstanding debt)	(1,557,179)	(1,370,661)	(1,557,179)	(1,370,661)
Prepayments	20,060	27,973	14,823	20,166
Provision for Bad Debts - DOHS	(2,471,033)	(2,502,019)	(2,471,033)	(2,502,019)
Other Debtors (mainly in respect of sundry services and interest on outstanding debt) Debtor - DOHS	1,928,925	2,013,594	1,899,158	1,980,000
Accruals	3,974,144	3,823,418	3,974,144	3,823,418
	170,963	150,028	170,963	150,028
	2,065,880	2,142,333	2,030,876	2,100,932

5. Receivables from non-exchange transactions

Fines	665,569	1,683,226	665,569	1,683,226
Provision for Bad Debts - Traffic Fines	(583,724)	(1,428,642)	(583,724)	(1,428,642)
	81,845	254,584	81,845	254,584

6. VAT

VAT receivable from SARS	116,720	29,971	124,331	22,358
VAT on invoices raised but not yet paid	326,831	252,724	326,831	252,724
	443,551	282,695	451,162	275,082

eThekwini Municipality and its Municipal Entities

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Group	Municipality			
	2018	2017	2018	2017
Figures in Rand thousand				
6. VAT (continued)				
Municipality:				
VAT is claimed on the payment basis. Only once an invoice is paid is VAT claimed and receivable from SARS. The value disclosed is the net VAT on Payables & Receivables.				
7. Consumer debtors				
Gross balances				
Rates	3,031,985	2,591,206	3,031,985	2,591,206
Electricity	2,430,435	1,831,177	2,430,435	1,831,177
Water	2,887,573	2,175,934	2,923,492	2,203,740
Refuse	218,229	169,951	218,229	169,951
Housing rental	107,191	91,947	107,191	91,947
Waste water	523,149	356,679	523,149	356,679
ICC Debtors	1,118	8,259	-	-
	9,199,680	7,225,153	9,234,481	7,244,700
Less: Allowance for impairment				
Rates	(1,283,924)	(1,118,063)	(1,283,924)	(1,118,063)
Electricity	(503,564)	(358,724)	(503,564)	(358,724)
Water	(2,319,280)	(1,476,849)	(2,319,280)	(1,476,849)
Refuse	(133,627)	(83,629)	(133,627)	(83,629)
Housing rental	(94,940)	(66,685)	(94,940)	(66,685)
Waste water	(321,689)	(205,361)	(321,689)	(205,361)
ICC Debtors	-	(46)	-	-
	(4,657,024)	(3,309,357)	(4,657,024)	(3,309,311)
Net balance				
Rates	1,748,061	1,473,143	1,748,061	1,473,143
Electricity	1,926,871	1,472,453	1,926,871	1,472,453
Water	568,293	699,085	604,212	726,891
Refuse	84,602	86,322	84,602	86,322
Housing rental	12,251	25,262	12,251	25,262
Waste water	201,460	151,318	201,460	151,318
ICC Debtors	1,118	8,213	-	-
	4,542,656	3,915,796	4,577,457	3,935,389
Included in the above is receivables from exchange transactions				
Electricity	1,926,871	1,472,453	1,926,871	1,472,453
Water	568,293	699,085	604,212	726,891
Waste water	201,460	151,318	201,460	151,318
Refuse	84,602	86,322	84,602	86,322
Housing rental	12,251	25,262	12,251	25,262
ICC Debtors	1,118	8,213	-	-
	2,794,595	2,442,653	2,829,396	2,462,246
Included in the above is receivables from non-exchange transactions (taxes and transfers)				
Rates	1,748,061	1,473,143	1,748,061	1,473,143
Net balance	4,542,656	3,915,796	4,577,457	3,935,389

eThekweni Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

Notes to the Annual Financial Statements

Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
7. Consumer debtors (continued)				
Rates				
Current (0 -30 days)	670,430	719,887	670,430	719,887
31 - 60 days	119,867	117,771	119,867	117,771
61 - 90 days	82,283	102,838	82,283	102,838
91 - 120 days	81,470	61,698	81,470	61,698
121 - 365 days	2,039,280	1,589,012	2,039,280	1,589,012
> 365 days	38,655	-	38,655	-
	3,031,985	2,591,206	3,031,985	2,591,206
Electricity, Water, Refuse and Waste Water				
Current (0 -30 days)	2,247,057	1,746,860	2,278,155	1,774,665
31 - 60 days	340,360	220,054	340,360	220,054
61 - 90 days	165,170	118,601	165,170	118,601
91 - 120 days	140,181	101,368	140,181	101,368
121 - 365 days	2,947,044	2,346,859	2,947,044	2,346,859
> 365 days	224,395	-	224,395	-
	6,064,207	4,533,742	6,095,305	4,561,547
Housing rental				
Current (0 -30 days)	9,773	5,410	9,773	5,410
31 - 60 days	2,703	2,496	2,703	2,496
61 - 90 days	2,265	2,177	2,265	2,177
91 - 120 days	2,304	2,114	2,304	2,114
121 - 365 days	84,152	79,750	84,152	79,750
> 365 days	5,994	-	5,994	-
	107,191	91,947	107,191	91,947
I.C.C. Debtors				
Current (0 -30 days)	43	8,152	-	-
31 - 60 days	-	41	-	-
61 - 90 days	159	15	-	-
> 90 days	916	51	-	-
	1,118	8,259	-	-
Movement in the provision for bad debts				
Balance at beginning of year	3,309,357	3,007,526	3,309,311	3,007,526
Contribution	1,359,451	926,029	1,359,497	925,984
Bad Debts written off	(11,784)	(624,198)	(11,784)	(624,199)
	4,657,024	3,309,357	4,657,024	3,309,311
8. Long-term receivables				
DPDC rates	46,294	42,895	92,588	85,790
Housing Selling scheme loans	140,959	141,113	140,959	141,113
First Metro Housing Loans	11,815	11,194	11,815	11,194
Education Loans	14,320	11,480	14,320	11,480
Debt Impairment: DPDC	(46,294)	(42,895)	(92,588)	(85,790)
Debt Impairment: Housing Selling scheme loans	(67,269)	(65,934)	(67,269)	(65,934)
	99,825	97,853	99,825	97,853

eThekwini Municipality and its Municipal Entities

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Notes to the Annual Financial Statements

Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
8. Long-term receivables (continued)				
Less: Current portion transferred to current receivables				
Housing Selling scheme loans	37,770	39,737	37,770	39,737
First Metro Housing Loans	2,067	777	2,067	777
Education Loans	1,696	2,330	1,696	2,330
	41,533	42,844	41,533	42,844
Long-term receivables - Non-current portion	58,292	55,009	58,292	55,009
Long-term receivables - Current portion	41,533	42,844	41,533	42,844

Study assistance schemes

These relate to students who are studying full-time at Universities in the Engineering disciplines. The cost covers tuition fees, books and subsistence. On successful completion of the course the students are, in terms of contractual obligations, employed by the Municipality. A pro-rata share of these costs are then written back as operating costs in annual instalments equal to the number of years studied. These schemes are interest free.

Housing selling scheme loans

Housing loans are granted to qualifying individuals in terms of the provincial administration housing programme. These loans attract interest in terms of the State Directives and Guidelines and are repayable over 20 years.

Housing First Metro loan

These loans attract interest at a fixed rate of 10% and are repayable over 20 years.

DPDC rates

Due to eThekwini Municipality owning 50% of Durban Point Development Company (DPDC), only half of DPDC's rates liability was accounted for when the Municipality proportionately consolidated the assets and liabilities of this joint venture. On consolidation the rates liability was eliminated against the DPDC rates receivable, hence the reduction in this receivable when compared to the municipal figures. The impairment provision relating to the eliminated rates receivable was reversed.

9. Call investment deposits

30 Day deposits	242,036	500,516	200,000	480,000
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eThekwini Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

Notes to the Annual Financial Statements

Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
10. Cash and Bank Balances				
Refer to note 51 for details on Bank accounts and balances.				
Cash and cash equivalents consist of:				
Cash on hand	31,777	18,548	30,673	17,998
Bank balances	615,253	515,747	550,343	437,018
Bank balances and cash	647,030	534,295	581,016	455,016
Bank overdraft	(382,790)	(379,700)	(382,790)	(379,700)
	264,240	154,595	198,226	75,316
Call Investment Deposits	242,036	500,516	200,000	480,000
Investments	5,880,431	5,932,097	5,700,000	5,750,000
Cash and Cash Equivalents	6,386,707	6,587,208	6,098,226	6,305,316

eThekwini Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

Notes to the Annual Financial Statements

Figures in Rand thousand

11. Investment property

Group	2018			2017		
	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Revenue Generating	207,545	(64,790)	142,755	191,333	(78,640)	112,693
Non-revenue Generating	135,503	(11,005)	124,498	189,795	(9,224)	180,571
Total	343,048	(75,795)	267,253	381,128	(87,864)	293,264

Municipality	2018			2017		
	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Revenue Generating	118,262	(34,114)	84,148	102,359	(49,916)	52,443
Non-revenue Generating	135,503	(11,005)	124,498	189,795	(9,224)	180,571
Total	253,765	(45,119)	208,646	292,154	(59,140)	233,014

Reconciliation of investment property - Group - 2018

	Opening balance 112,693	Additions	Disposals	Transfers	Impairments	Depreciation	Total
Revenue Generating		309	-	32,921	25	(3,193)	142,755
Non-revenue Generating	180,571	-	(944)	(53,348)	(1,781)	-	124,498
	293,264	309	(944)	(20,427)	(1,756)	(3,193)	267,253

eThekweni Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

Notes to the Annual Financial Statements

Figures in Rand thousand

11. Investment property (continued)

Reconciliation of investment property - Group - 2017

	Opening balance	Disposals	Impairments	Depreciation	Total
Revenue Generating	116,533	-	-	(3,840)	112,693
Non-revenue Generating	185,418	(3,457)	(1,390)	-	180,571
	301,951	(3,457)	(1,390)	(3,840)	293,264

Reconciliation of investment property - Municipality - 2018

	Opening balance	Disposals	Transfers	Impairments	Depreciation	Total
Revenue Generating	52,443	-	32,921	25	(1,241)	84,148
Non-revenue Generating	180,571	(944)	(53,348)	(1,781)	-	124,498
	233,014	(944)	(20,427)	(1,756)	(1,241)	208,646

Reconciliation of investment property - Municipality - 2017

	Opening balance	Disposals	Impairments	Depreciation	Total
Revenue Generating	53,875	-	-	(1,432)	52,443
Non-revenue Generating	185,418	(3,457)	(1,390)	-	180,571
	239,293	(3,457)	(1,390)	(1,432)	233,014

Municipality

eThekweni Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

Notes to the Annual Financial Statements

Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017

11. Investment property (continued)

The Municipality lets properties under operating leases. Property rental income earned during the year was R87.5million (2017: R72.5million) - (refer note 26). The operating costs related to the rental of these properties amounted to R9.7million (2017: R7.0million). The net impairment loss of R1.8million is made up of an impairment loss of R1.75million and the impact of the impairment reversal is immaterial. The impairment loss relates to a decrease in the value of investment properties as a result of a general decline in property values and damages to property. Included in investment properties above are items that are still in use and that have a historical cost of R4.5million (2017: R1.39million) but are fully depreciated/impaired. This amount is made up as follows: Investment property fully depreciated – R4.1million; Investment property fully impaired R0.4million. The repairs and maintenance cost for investment properties was R53.4 thousand (2017: R53.7 thousand) in the current financial year. This cost consists of only payments made to contractors for repairing and maintaining assets. No staff member is engaged in any labour towards the repair and maintenance of investment property as contractors are outsourced. Both the operating cost, and repairs and maintenance comparative balances have been restated. These costs in the prior year erroneously included those relating to the Winder Street Building. This is a property used for administrative purposes, which is correctly accounted for as property, plant and equipment.

There is no item of investment property with restrictions on title or held as security for liabilities.

Group

Durban Marine Theme Park (Pty) Ltd: Investment property comprises the Village Walk retail shopping mall from which rental income is derived. The original cost of this property including land was approximately R69 million. The directors fair value thereof is R145 million (2017: R141 million) based on a valuation method of net rental return, capitalised at a fair value market rate of return of 12.5% (2017: 12%).

eThekwini Municipality and its Municipal Entities

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Notes to the Annual Financial Statements

Figures in Rand thousand

12. Property, plant and equipment

Group	2018			2017		
	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land and Buildings	6,693,771	(1,893,106)	4,800,665	6,434,272	(1,710,707)	4,723,565
Plant and machinery	2,110,578	(1,423,302)	687,276	1,959,384	(1,301,876)	657,508
Furniture and fixtures	421,912	(324,698)	97,214	368,330	(266,218)	102,112
Motor vehicles	3,359,235	(2,571,001)	788,234	3,045,527	(2,309,748)	735,779
IT equipment	1,056,971	(852,614)	204,357	976,890	(763,525)	213,365
Infrastructure	47,254,695	(10,780,764)	36,473,931	43,875,511	(9,640,258)	34,235,253
Community	8,559,738	(2,523,624)	6,036,114	8,291,280	(2,252,929)	6,038,351
Biological Assets	592	(559)	33	592	(534)	58
Housing Development Fund Assets	133,162	(66,288)	66,874	130,872	(65,306)	65,566
Total	69,590,654	(20,435,956)	49,154,698	65,082,658	(18,311,101)	46,771,557

eThekwini Municipality and its Municipal Entities

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Figures in Rand thousand

12. Property, plant and equipment (continued)

Municipality	2018			2017		
	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land and Buildings	5,313,196	(1,322,831)	3,990,365	5,073,602	(1,189,540)	3,884,062
Plant and machinery	1,977,348	(1,320,973)	656,375	1,780,891	(1,173,118)	607,773
Furniture and fixtures	323,485	(251,751)	71,734	307,906	(227,187)	80,719
Motor vehicles	3,357,273	(2,569,815)	787,458	3,042,933	(2,308,643)	734,290
IT equipment	1,035,483	(838,445)	197,038	967,337	(757,838)	209,499
Infrastructure	47,254,695	(10,780,764)	36,473,931	43,875,511	(9,640,258)	34,235,253
Community	8,559,738	(2,523,624)	6,036,114	8,291,280	(2,252,929)	6,038,351
Biological Assets	556	(555)	1	556	(531)	25
Housing Development Fund Assets	133,162	(66,288)	66,874	130,872	(65,306)	65,566
Total	67,954,936	(19,675,046)	48,279,890	63,470,888	(17,615,350)	45,855,538

Reconciliation of property, plant and equipment - Group - 2018

eThekwini Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

Notes to the Annual Financial Statements

Figures in Rand thousand

12. Property, plant and equipment (continued)

	Opening balance	Additions	Disposals	Transfers	Work-in- progress	Depreciation	Impairment	Total
Land and Buildings	4,723,565	67,061	(3)	10,793	170,731	(174,957)	3,475	4,800,665
Plant and machinery	657,508	124,708	(523)	(18,942)	82,346	(157,821)	-	687,276
Furniture and fixtures	102,112	22,518	(95)	12,988	-	(40,296)	(13)	97,214
Motor vehicles	735,779	303,905	(84)	(127)	10,607	(261,846)	-	788,234
IT equipment	213,365	75,539	(415)	2,498	949	(87,579)	-	204,357
Infrastructure	34,235,253	2,111,434	(7,644)	(5,192)	1,288,861	(1,148,781)	-	36,473,931
Community	6,038,351	154,921	-	18,859	88,397	(264,968)	554	6,036,114
Biological Assets	58	-	-	-	-	(25)	-	33
Housing Development Fund	65,566	520	(68)	-	2,338	(1,482)	-	66,874
	46,771,557	2,860,606	(8,832)	20,877	1,644,229	(2,137,755)	4,016	49,154,698

Reconciliation of property, plant and equipment - Group - 2017

	Opening balance	Additions	Disposals	Transfers	Work-in- progress	Depreciation	Impairment	Total
Land and Buildings	4,710,193	15,532	-	-	144,478	(146,638)	-	4,723,565
Plant and machinery	623,626	144,556	(58)	6,726	30,444	(147,522)	(264)	657,508
Furniture and fixtures	100,862	39,259	(164)	(7,054)	-	(30,701)	(90)	102,112
Motor vehicles	848,647	122,080	(548)	2,324	4,432	(241,130)	(26)	735,779
IT equipment	244,857	44,185	(372)	(481)	-	(74,801)	(23)	213,365
Infrastructure	31,136,169	2,734,940	(7,247)	(73,200)	1,558,849	(1,114,694)	436	34,235,253
Community	5,953,294	293,654	-	72,019	(36,680)	(243,936)	-	6,038,351
Biological Assets	84	-	-	-	-	(26)	-	58
Housing Development Fund	65,633	116	(61)	-	1,443	(1,565)	-	65,566
	43,683,365	3,394,322	(8,450)	334	1,702,966	(2,001,013)	33	46,771,557

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Figures in Rand thousand

12. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Municipality - 2018

	Opening balance	Additions	Disposals	Transfers	Work-in- progress	Depreciation	Impairment	Total
Land and Buildings	3,884,062	56,566	(3)	6,955	171,384	(132,074)	3,475	3,990,365
Plant and machinery	607,773	117,108	(523)	31	82,346	(150,360)	-	656,375
Furniture and fixtures	80,719	18,784	(95)	(199)	-	(27,462)	(13)	71,734
Motor vehicles	734,290	303,732	-	9	10,607	(261,180)	-	787,458
IT equipment	209,499	72,437	(415)	414	949	(85,846)	-	197,038
Infrastructure	34,235,253	2,111,436	(7,644)	(5,192)	1,288,861	(1,148,783)	-	36,473,931
Community	6,038,351	154,921	-	18,859	88,397	(264,968)	554	6,036,114
Biological Assets	25	-	-	-	-	(24)	-	1
Housing Development Fund	65,566	520	(68)	-	2,338	(1,482)	-	66,874
	45,855,538	2,835,504	(8,748)	20,877	1,644,882	(2,072,179)	4,016	48,279,890

Reconciliation of property, plant and equipment - Municipality - 2017

	Opening balance	Additions	Disposals	Transfers	Work-in- progress	Depreciation	Impairment	Total
Land and Buildings	3,835,883	3,924	-	-	143,939	(99,684)	-	3,884,062
Plant and machinery	571,134	134,123	(58)	6,726	30,444	(134,332)	(264)	607,773
Furniture and fixtures	79,670	32,810	(156)	(7,054)	-	(24,461)	(90)	80,719
Motor vehicles	847,057	121,891	(548)	2,324	4,432	(240,840)	(26)	734,290
IT equipment	241,698	42,536	(372)	(481)	-	(73,859)	(23)	209,499
Infrastructure	31,136,168	2,734,942	(7,247)	(73,200)	1,558,849	(1,114,695)	436	34,235,253
Community	5,953,294	293,654	-	72,019	(36,680)	(243,936)	-	6,038,351
Biological Assets	50	-	-	-	-	(25)	-	25
Housing Development Fund	65,633	116	(61)	-	1,443	(1,565)	-	65,566
	42,730,587	3,363,996	(8,442)	334	1,702,427	(1,933,397)	33	45,855,538

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017

12. Property, plant and equipment (continued)

Included in property, plant and equipment above are items that are still in use and that have a historical cost of R4.121 million (2017: R1.074 million) but are fully depreciated/impaird. This amount is made up as follows: PPE fully depreciated - R4.058 million; PPE fully impaired R63 million. The impairment reversal of R4 million is made up of reversal of impairment of R4 million and the impact of the impairment loss is immaterial. The impairment reversal relates to assets that were initially impaired, but are now fully operational due to them having been repaired.

The repairs and maintenance cost for property, plant and equipment was R2.56 billion (2017: R2.48 billion) in the current financial year. This cost consists of payments made to contractors, material issues and consumables for repairing and maintaining assets. This cost excludes internal labour costs which form part of internal charges (internal charges are eliminated on consolidation).

There is no item of property, plant and equipment with restrictions on title or held as security for liabilities.

eThekweni Municipality and its Municipal Entities

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13. Intangible assets

Group	2018			2017		
	Cost/ Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Servitudes	61,318	-	61,318	58,767	-	58,767
Computer software	1,606,936	(846,531)	760,405	1,416,220	(628,997)	787,223
Total	1,668,254	(846,531)	821,723	1,474,987	(628,997)	845,990

Municipality	2018			2017		
	Cost/ Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Servitudes	61,318	-	61,318	58,767	-	58,767
Computer software	1,600,233	(841,542)	758,691	1,409,844	(625,382)	784,462
Total	1,661,551	(841,542)	820,009	1,468,611	(625,382)	843,229

Reconciliation of intangible assets - Group - 2018

	Opening balance	Additions	Transfers	Work-in- progress	Amortisation	Total
Servitudes	58,767	13	-	2,538	-	61,318
Computer software	787,223	149,477	(450)	43,045	(218,890)	760,405
	845,990	149,490	(450)	45,583	(218,890)	821,723

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13. Intangible assets (continued)

Reconciliation of intangible assets - Group - 2017

	Opening balance	Additions	Disposals	Transfers	Work-in- progress	Amortisation loss	Impairment	Total
Servitudes	54,865	2,335	-	-	1,567	-	-	58,767
Computer software	827,877	545,419	(153)	458	(386,654)	(199,148)	(576)	787,223
	882,742	547,754	(153)	458	(385,087)	(199,148)	(576)	845,990

Reconciliation of intangible assets - Municipality - 2018

	Opening balance	Additions	Transfers	Work-in- progress	Amortisation	Total
Servitudes	58,767	13	-	2,538	-	61,318
Computer software		784,462	149,255	(450)	42,940	(217,516)
		843,229	149,268	(450)	45,478	(217,516)
						820,009

Reconciliation of intangible assets - Municipality - 2017

	Opening balance	Additions	Disposals	Transfers	Work-in- progress	Amortisation	Impairment	Total
Servitudes	54,865	2,335	-	-	1,567	-	-	58,767
Computer software	825,433	543,920	(1)	458	(386,654)	(198,118)	(576)	784,462
	880,298	546,255	(1)	458	(385,087)	(198,118)	(576)	843,229

Other information

Included in intangible assets above are items that are still in use and that have a historical cost of R341 million, but are fully amortised.

There is no item of intangible assets with restrictions on title or held as security for liabilities.

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017

14. Heritage assets

Group	2018			2017		
Cost/ Valuation	Accumulated impairment losses	Carrying value		Cost/	Accumulated impairment losses	Carrying value
		Valuation				
Art Collections, antiquities and exhibits	24,536	-	24,536	24,039	-	24,039

Municipality	2018			2017		
Cost/ Valuation	Accumulated impairment losses	Carrying value		Cost/	Accumulated impairment losses	Carrying value
		Valuation				
Art Collections, antiquities and exhibits	24,536	-	24,536	24,039	-	24,039

Reconciliation of heritage assets Group - 2018

	Opening balance	Additions	Total
Art Collections, antiquities and exhibits	24,039	497	24,536

Reconciliation of heritage assets Group - 2017

	Opening balance	Additions	Transfers	Total
Art Collections, antiquities and exhibits	24,396	435	(792)	24,039

Reconciliation of heritage assets Municipality - 2018

	Opening balance	Additions	Total
Art Collections, antiquities and exhibits	24,039	497	24,536

Reconciliation of heritage assets Municipality - 2017

	Opening balance	Additions	Transfers	Total
Art Collections, antiquities and exhibits	24,396	435	(792)	24,039

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017

14. Heritage assets (continued)

Heritage assets which fair values cannot be reliably measured

The following items of heritage assets cannot be reliably valued due to the nature of the items. These are categories of heritage assets which reflect the number of assets for each category:

Ornithology	39,286
Mammalogy	14,673
Entomology	140,420
Arachnology	619
Echinodermata	36
Palaeontology	33,297
Ethnographic	11,759
Library collection	4,794
Conchology	5,207
Audio Visual collection	3,668
Numismatic	2,464
Textile & Costume	14,442
Glass & Ceramics	7,863
Other Historical	1,105
Don Africana Books & Periodicals	4,556
Exhibitions	2,173
Ichthyology	357
Herpetology	2,755
Biographical	1,191
Toys	4,415
Philately	2,247
War memorials	113
Firearms	168
Paintings	7,365
Photographic	3,846,903
Furniture	674
Documents / Cartoons / Plans	633,597
Pinetown Library Collection	228

Heritage assets which fair values cannot be reliably measured

The Municipality has undertaken valuations to determine fair values of its heritage assets. The Municipality did apply a valuation methodology and completed the exercise on certain classes of heritage assets after extensive research, reviewing benchmarks, both nationally and internationally, including consulting research papers that have been compiled on this subject matter. Where there is no active market for the items of heritage assets, the Municipality is currently testing various valuation methodologies in order to determine the fair value of these heritage assets. GRAP 103 does allow the entity to determine fair value by using a replacement cost approach in cases where there is no active market and the Municipality has followed this approach, where applicable. No heritage assets were pledged as security for liabilities during the financial year end.

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
15. Investments in Municipal Entities				
Name of company	% holding 2018	% holding 2017	Carrying amount June 2018	Carrying amount June 2017
Durban Marine Theme Park (State Owned Company) Limited	100.00 %	100.00 %	962,996	962,996
ICC Durban (Proprietary) Limited			226,591	226,591
			1,189,587	1,189,587
Impairment of investment in Municipal entities			(248,756)	(280,808)
			940,831	908,779

Impairment of Investments in Municipal Entities are reviewed and adjusted only on an annual basis. The balances above are reflective of estimations at 30 June 2018.

The Shareholders loan was converted to equity in the prior year. At its meeting on 28 June 2018, and taking cognizance of the International Convention Centre and Durban Marine Theme Park, Council confirmed its commitment to ensuring the future financial viability of the International Convention Centre and the Durban Marine Theme Park and more specifically to meet any funding shortfalls that may compromise their ability to continue trading as a "going concern". There was an impairment reversal in the current year of R32.1million.

As at June 30, 2018

	ICC Durban (Proprietary) Limited	Durban Marine Theme Park (SOC)
Issued Share Capital (R'000)	226,591	10
Percentage owned by Council (%)	100	100
Electricity Income Received (R'000)	10,264	22,515
Water Income Received (R'000)	1,996	9,874
Rates Income Received (R'000)	9,134	3,633
Refuse Removal (R'000)	991	947
Insurance (R'000)	5	437

As at June 30, 2017

	ICC Durban (Proprietary) Limited	Durban Marine Theme Park (SOC)
	226,591	10
Issued Share Capital (R'000)		
Percentage owned by Council (%)	100	100
Electricity Income Received (R'000)	11,287	21,307
Water Income Received (R'000)	1,567	8,940
Rates Income Received (R'000)	6,064	3,375
Refuse Removal (R'000)	900	1,088
Insurance (R'000)	39	772

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
16. Interest in Joint Ventures				
Name of company	Listed / Unlisted	Carrying amount June 2018	Carrying amount June 2017	
Effingham Development	66.74%	62,507	72,993	
Durban Point Development Company (Pty) Ltd	50.00%	67,207	72,100	
		129,714	145,093	

This represents a 66.74% investment in Effingham Development and a 50% investment in Durban Point Development Company (Joint Ventures).

The Effingham Development Joint Venture is a joint venture entered into with Moreland Developments (Pty) Ltd. The joint venture was formed with the objective of developing and marketing the serviced sites of the Effingham/Avoca (Riverhorse Valley Business Estate) land and Phoenix South (Bridge City) land.

Durban Point Development Company is a joint venture entered into with Rocpoint Company, a Malaysian Company. This company has been formed with the objective of driving the development of the Point Precinct area.

Summary of the municipality's interest in the joint venture - Effingham Development

Non-current assets

Township Property	31,557	44,849
Current assets - Debtors	28,672	27,006
Current assets - Bank Balances and Cash on hand	19,647	39,252

Total Assets	79,876	111,107
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Equity and Liabilities

Members Loan Accounts	62,507	72,993
Current liabilities - Creditors	17,369	38,114

Total Equity and Liabilities	79,876	111,107
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Reconciliation of Investment in Joint Venture

Balance at beginning of the reporting period	72,993	74,309
Share of Income	2,862	24,767
Purchase of development rights (adjusted against profits)	-	(26,083)
Share of loan repayment received	(6,848)	-
Share of loan repayment due to eThekweni but retained by Effingham JV for payment of levies	(6,500)	-
Balance at end of year	62,507	72,993

Summary of the municipality's interest in the joint venture - Durban Point Development Company

Non-current assets - Property	-	3,378	2,675
Current assets - Debtors	-	10,420	4,105
Current assets - Inventory	-	93,345	93,345
Current assets - Bank Balances / Cash on hand	-	405	593
TOTAL ASSETS	-	107,548	100,718
Equity - Accumulated Loss	-	(32,212)	(27,264)
Equity - Loans from shareholders	-	78,466	78,466
Non-current liability - Rates Liability	-	46,294	42,895
Current Liabilities - Creditors	-	15,000	6,621
TOTAL EQUITY AND LIABILITIES	-	107,548	100,718
Reconciliation of Investment in Joint Venture	-	-	-
Balance at beginning of the reporting period	-	72,100	75,716

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017

16. Interest in Joint Ventures (continued)

Share of losses for the year	-	-	(4,893)	(3,616)
Balance at end of the reporting period	-	-	67,207	72,100

The change in the comparative balances for DPDC's accumulated surplus and creditors relate to a correction of error for UEM Sunrise South Africa (Pty) Ltd. (UEM) management fees that weren't accrued for by the joint venture in the prior years. The value of these management fees amounts to R6,250,000 (eThekwini Municipality's share being R3,075,000). Based on the agreement between the joint venture and UEM, these fees would be payable once the joint venture has sufficient cash to make the payment. The cost of the investment in the DPDC is R67.21 million compared to the cost of R78.47 million as reflected in the financial statements of DPDC. The difference is due to eThekwini Municipality having recognised the share of the losses of R4.89million (2016/17-3.62million:2015/16 -2.75 million), resulting in cumulative losses recognised of R11.26million. The net share of loss from joint ventures in the current financial year is R2.03 million, of which R2.86million relates to Effingham and - R4.89million to DPDC.

17. External Borrowings At

amortised cost

Annuity loans	8,161,100	8,835,985	8,161,100	8,835,985
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The fair value of all long term loans approximates their book values. Refer to

Note 56 for more detail on long-term liabilities.

DBSA Phase 3 loans of R400million is separately secured by a cession of an acceptable revenue stream of R20 million p.a. as security.

DBSA Phase 5 of R300m is separately secured by a cession of an acceptable revenue stream of R15 million p.a. as security.

AFD Calyon of R58.7m is separately secured by a cession of carbon credit income in the event of default or nonpayment. The income is estimated to be R4.2m for the year 2018/19 (excluding VAT).

All other loans are unsecured.

The Municipality has budgeted to borrow R1billion per annum for the next 3 financial years (commencing in 2018/19) in order to finance capital expenditure. This practice is consistent with prior years.

Non-current liabilities

At amortised cost	7,286,712	8,042,457	7,286,712	8,042,457
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Current liabilities

At amortised cost	874,388	793,528	874,388	793,528
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18. Payables from exchange transactions

Trade payables	1,124,855	1,288,550	1,135,810	1,294,710
Payments received in advance	43,056	151,008	43,056	150,830
Income received in advance - D.O.H.S	656,881	704,475	656,881	704,475
Accruals	2,703,657	2,153,695	2,713,761	2,157,091
Other payables	723,421	741,977	702,964	720,945
Retentions	444,727	441,365	444,727	441,365
Bank deposits not receipted	325,240	342,859	325,240	342,859
Deferred Expenditure (Straight-lining of Leases)	30,002	30,800	30,002	30,800
	6,051,839	5,854,729	6,052,441	5,843,075

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19. Transfers payable from non-exchange transactions				
Transfers payable	29,280	17,760	29,280	17,760

Following the review processes performed in the preparation and finalisation of annual financial statements, management identified transfers payable that were accrued for as payables from exchange transactions. These transfers relate to the unpaid portion of grants and subsidies, and as a result should be disclosed as transfers payable from non-exchange transactions. Comparative figures have been restated and disclosed as prior year adjustments.

20. Consumer deposits

I.C.C.: Clients deposits	22,457	23,690	-	-
Consolidated Deposits	2,266,216	2,141,879	2,267,863	2,143,476
Ushaka: Rental deposits	3,083	2,457	-	-
	2,291,756	2,168,026	2,267,863	2,143,476

A decision was taken on the 1st of July 2016 (effective date) to cease the capitalisation of interest on consumer deposits (previously accrued at 3% p.a.). This change was as a result of amendments to the Municipality's Credit Control and Debt Collection Policy. The change sought to align the treatment of consumer deposits to the rationale for deposits, which is to serve as security, mitigate credit risk and cash flow management. All interest that had accrued up to the effective date has been added to the deposit held in line with the amended Credit Control and Debt Collection Policy.

21. Employee benefit obligations

The amounts recognised in the Statement of Financial Position are as follows:

Carrying value				
Post-employment medical benefits	(4,123,898)	(3,934,770)	(4,123,898)	(3,934,770)
Post-employment pension benefits	(87,723)	163,133	(87,723)	163,133
	(4,211,621)	(3,771,637)	(4,211,621)	(3,771,637)
Non-current liabilities	(3,547,237)	(3,269,679)	(3,547,237)	(3,269,679)
Current liabilities	(664,384)	(501,958)	(664,384)	(501,958)
	(4,211,621)	(3,771,637)	(4,211,621)	(3,771,637)

Actuarial Valuations:

The actuarial valuations were done as at 30 June 2018 by Independent Actuaries & Consultants, an independent post retirement plan administrator and they determined that the retirement plan was in a sound financial position. Assumptions applied in the current period are summarised in the reconciliation of the actuarial gains and losses.

Net Actuarial Gain / (Loss): Post-employment Medical Benefits

Actuarial gains arising from changes in financial assumptions	51,140	376,440	51,140	376,440
Actuarial gains arising from experience adjustments	141,804	3,274	141,804	3,274
	192,944	379,714	192,944	379,714

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
21. Employee benefit obligations (continued)				
Net Actuarial Gain / (Loss): Post-employment Pension	Benefits			
Actuarial gains arising from changes in financial assumptions	31,522	341,595	31,522	341,595
Actuarial gains and (losses) arising from experience adjustments	(123,244)	392,763	(123,244)	392,763
	(91,722)	734,358	(91,722)	734,358
Statement of Financial Performance obligation for:				
Contribution to Post-employment medical benefits	189,128	53,227	189,128	53,227
Pension Benefits: Contribution to Funds	250,856	214,483	250,856	214,483
Total, included in employee benefits expense	439,984	267,710	439,984	267,710

Post-Retirement Medical Aid Plan

The Municipality operates on 6 accredited medical aid schemes, namely Key Health, Hosmed, Bonitas, Samwumed, Discovery and LA Health. Pensioners continue on the option they belonged to on the day of their retirement.

Movement in the defined benefit obligation is as follows:

Balance at beginning of the year	3,934,770	3,881,543	3,934,770	3,881,543
Current service cost	142,540	182,543	142,540	182,543
Interest cost	380,188	369,232	380,188	369,232
Actuarial (gains) losses	(140,656)	(379,714)	(140,656)	(379,714)
Benefit payments	(192,944)	(118,834)	(192,944)	(118,834)
Balance at end of year	4,123,898	3,934,770	4,123,898	3,934,770

Net expense recognised in the Statement of Financial Performance

Current service cost	142,540	182,543	142,540	182,543
Interest cost	380,188	369,232	380,188	369,232
Actuarial (gains) losses	(192,943)	(379,714)	(192,943)	(379,714)
Total, included in employee benefits expense	329,785	172,061	329,785	172,061

Trend Information - Disclosure Requirement in terms of GRAP 25

	30 June 2014	30 June 2015	30 June 2016	30 June 2017	30 June 2018
Present Value of Obligations	(3,132,817)	(3,497,714)	(3,881,543)	(3,934,770)	(4,123,898)
Fair Value of Plan Assets	3,132,817	3,497,714	3,881,543	3,934,770	4,123,898
Experience Adjustments					
(Actuarial Gain/(Loss) before Changes in Assumptions)					
In respect of Present Value of Obligations	(120,563)	183,275	(21,796)	3,274	141,804

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017

21. Employee benefit obligations (continued)

Disclosure Requirement in terms of GRAP 25

	Central Assumption 8.52%	Health Care cost Inflation -1%	+1%
Accrued Liability June 30, 2018	4,123,898	3,538,766	4,857,575
Current Service Cost + Interest Cost 2017/18	574,258	488,835	700,910

Sensitivity Results from Previous Valuation

	Central	-1%	+1%
Assumption	8.05%		
Accrued Liability June 30, 2017	3,934,770	3,415,022	4,581,410
Current Service Cost + Interest Cost 2016/17	516,461	436,775	618,121

Disclosure Requirement in terms of GRAP 25:

The employer's best estimate of contributions expected to be paid to the plan during the annual period beginning after the end of reporting period, is R121.5million.

Key assumptions used

Assumptions used at the reporting date:

Discount rates used	10.22 %	9.66 %	10.22 %	9.66 %
General increases to medical aid contributions	8.52 %	8.05 %	8.52 %	8.05 %
Expected retirement age	63	63	63	63
Proportion continuing membership at retirement	100.00 %	100.00 %	100.00 %	100.00 %
Proportion of retiring members who are married	80.00 %	80.00 %	80.00 %	80.00 %
Real rate (Gap)	1.56 %	1.49 %	1.56 %	1.49 %
General Inflation	7.02 %	6.55 %	7.02 %	6.55 %

Other assumptions:

Age of spouse - Husbands 5 years older than wives

Mortality of in-service members - Mortality table based on Durban Pension Fund experience Mortality of

pensioners - based on the PA(90) mortality tables

Percentage of in-service members withdrawing before retirement:

Age 20	7.85 %	7.85 %	7.85 %	7.85 %
Age 25	5.67 %	5.67 %	5.67 %	5.67 %
Age 30	4.20 %	4.20 %	4.20 %	4.20 %
Age 35	3.31 %	3.31 %	3.31 %	3.31 %
Age 40	2.23 %	2.23 %	2.23 %	2.23 %
Age 45	1.21 %	1.21 %	1.21 %	1.21 %
Age 50	0.55 %	0.55 %	0.55 %	0.55 %

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
21. Employee benefit obligations (continued)				
Pension benefits				
The amounts recognised in the Statement of Financial Position were determined as follows:				
Present value of funded obligations	11,584,632	11,151,296	11,584,632	11,151,296
Fair value of plan assets	(11,496,909)	(11,314,429)	(11,496,909)	(11,314,429)
Liability (Surplus) in the Statement of Financial Position	87,723	(163,133)	87,723	(163,133)
Net expense recognised in the Statement of Financial Performance				
Service cost	(90,127)	(87,382)	(90,127)	(87,382)
Interest cost	(1,052,361)	(1,075,224)	(1,052,361)	(1,075,224)
Expected return on assets	1,066,499	1,108,450	1,066,499	1,108,450
Net actuarial gains / (losses) recognised in the year	(262,514)	(203,994)	(262,514)	(203,994)
	(338,503)	(258,150)	(338,503)	(258,150)
Movement in the defined benefit obligation is as follows:				
Balance at beginning of the year	(11,151,296)	(11,257,690)	(11,151,296)	(11,257,690)
Current service cost	(90,127)	(125,110)	(90,127)	(125,110)
Contributions by plan participants	18,942	18,864	18,942	18,864
Actuarial losses	73,366	715,494	73,366	715,494
Interest cost	(1,052,361)	(1,075,224)	(1,052,361)	(1,075,224)
Benefit payments	616,844	572,370	616,844	572,370
Balance at end of year	(11,584,632)	(11,151,296)	(11,584,632)	(11,151,296)
Movement in the fair value of plan assets is as follows:				
Balance at beginning of the year	11,314,429	11,635,306	11,314,429	11,635,306
Actuarial gains (losses)	(335,880)	(919,488)	(335,880)	(919,488)
Employer contributions	87,647	81,395	87,647	81,395
Employee contributions	(18,942)	(18,864)	(18,942)	(18,864)
Benefit payments	(616,844)	(572,370)	(616,844)	(572,370)
Expected return on assets	1,066,499	1,108,450	1,066,499	1,108,450
Balance at end of year	11,496,909	11,314,429	11,496,909	11,314,429
Disclosure in terms GRAP 25				
Defined benefit obligation	(11,584,632)	(11,151,296)	(11,584,632)	(11,151,296)
Plan assets	11,496,909	11,314,429	11,496,909	11,314,429
Funded status (before applying the net asset limit)	(87,723)	163,133	(87,723)	163,133
Experience adjustments on plan liabilities	123,244	(392,763)	123,244	(392,763)
Experience adjustments on plan assets	335,880	919,488	335,880	919,488

The expected return on plan assets was determined with reference to the average nominal yield for government bonds with duration of between 15 and 20 years as at 30 June 2018. The resulting expected return on plan assets was 10.22%p.a.

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	Group		Municipa	lity
Figures in Rand thousand	2018	2017	2018	2017

21. Employee benefit obligations (continued)

Key assumptions used

The principal actuarial assumptions used were as follows:

Discount rate	10.22	9.66	10.22 %	9.66 %
Expected return on plan assets	10.22	9.66	10.22 %	9.66 %
General inflation	7.02	6.55	7.02 %	6.55 %
Salary inflation	8.02	7.55	8.02 %	7.55 %
Pension increase provision	7.02	6.55	7.02 %	6.55 %
Post retirement interest rate	2.99	2.92	2.99 %	2.92 %

eThekweni Municipality and its Municipal Entities

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Notes to the Annual Financial Statements

Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017

21. Employee benefit obligations (continued)

Examples of mortality rates used were as follows: Active members (All):

Age 20	0.13 %	0.13 %	0.13 %	0.13 %
Age 25	0.18 %	0.18 %	0.18 %	0.18 %
Age 30	0.25 %	0.25 %	0.25 %	0.25 %
Age 35	0.37 %	0.37 %	0.37 %	0.37 %
Age 40	0.52 %	0.52 %	0.52 %	0.52 %
Age 45	0.72 %	0.72 %	0.72 %	0.72 %
Age 50	0.99 %	0.99 %	0.99 %	0.99 %
Age 55	1.37 %	1.37 %	1.37 %	1.37 %
Age 60	1.89 %	1.89 %	1.89 %	1.89 %

eThekweni Municipality and its Municipal Entities

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Figures in Rand thousand	2018	2017	2018	2017

21. Employee benefit obligations (continued)

KZN Municipal Pension Fund:

The KZN Municipal Pension Fund is a defined contribution pension fund that replaced the Durban Pension Fund in 2001. It is set up to have only one contributing employer being the eThekweni Municipality. At 30 June 2018 the Fund had a membership of 22,177 with R13 billion investments. There are 179 members who have retired with the in-house living annuity as their pension providing option, an increase from the 116 members a year ago. The investments held for these annuitants increased from R177,4m to R281m.

Investments

Various asset managers are mandated to invest the savings of members. The largest three of these are Investec, Prudential, and Coronation. These managers have a Global Balanced mandate with some R2,5b each. The investment fee paid to these managers averages 0,667%. In terms of peer reviews these three managers performed first, second, and fourth respectively over 5 years and continue to maintain their advantage over their competitors over the 1 and 3 year periods. The investments are wherever feasible now held in the Fund's name rather than in a portfolio offered and 'owned' by an asset manager. Standard Bank is the appointed custodian. Sygnia is the appointed investment administrator and it is their task to check the daily unit values coming in from asset managers and to produce daily unit values for each of the Fund's Investment Portfolios from amongst which the members select to invest. Although the investment return from the local Business Confidence indicator has been low for the last 3 years our largest portfolio the Managed Fund, having R10,5b of the total R13b, has returned 8.8% over 1 year, 6.7% pa over 3 years, and 11.2% pa over 5 years.

Insurance

The Trustees continue with the objective of the Fund to become fully self-insured and in 2018 the Disability insurance premium was fully covered by the Fund. The Death cover is held 50:50 with Nestlife who are a black owned insurance provider. Nestlife also continues to cover the Funeral benefit. The Fund Front Office at SmartXchange Building, 5 Walnut Road, is staffed to investigate the death benefit distributions and the administration of disability claims and payments. Procedures in place continue to be refined and improved as ongoing problems and successes inform the process. It is a goal to be able to have the member invest 15% of the 18% (of salary) that the employer monthly contribution is based upon. At present the death and disability insurance premium portion of this 18% is 2.734%.

Added to this the Member Administration Fee paid to Alexander Forbes of 0.144%, as well as the other expenses such as actuarial, legal, trustee, printing, seminars, and front office amounting to 0.206%. This then adds up to a cost to members of 3.084% just 0.0804% above the target.

Communications

Communication consists chiefly of the annual seminar at the Exhibition Centre along with the road show seminars and presentations given at induction sessions, union gatherings, and department staff communication days. Member appointed trustees also perform an important role of engagement in the workplace. Printed brochures are made available along with retirement projection statements and benefit statements for each member. Investment balances are available on-line or can be printed at the front office. The Fund has a web site, members on their e-mail list, as well as a limited presence on social media. Considerable additional work has in the last 12 months been put into investment and retirement counselling as well as financial planning on a one on one basis. Families that are receiving substantial death benefits also receive counselling on tax issues and are encouraged to place their funds in the in house living annuity when tax becomes a consideration. To an extent this option is also preferred by trustees rather than the allocation of orphans money to a beneficiary fund.

Trustees

Thomas Mketelwa (Chair), Cllr Sipho Kaunda (vice-chair & eThekweni Exco member), Khanyi Gama (Chair: Finance & Investment Sub-committee), Sthembile Dlamini (Chair: Communications Sub-Committee), Vis Moodley (Chair: Legal, Admin, and Death Benefits Distribution Sub-Committee), Cllr Barbara Fortein (eThekweni Exco Member), Cllr William (eThekweni Speaker & Exco Member), Hugh Crichton (Retired Member), Paul Babudayal, Pretty De Bruin-Shange (Deferred Member), Xolani Gabele, Ricky Naidoo.

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017

21. Employee benefit obligations (continued)

Multi-Employer Retirement Benefit Plans:

Certain members and Council contribute to the Natal Joint Superannuation, Retirement and Provident Funds (NJMPF), SALA, Multi Linked and GEPF. Employees of eThekweni Municipality make up less than 1% of the total members of the NJMPF. eThekweni's liability in these funds could not be determined owing mainly to the assets not being allocated to each employer and one set of financials being compiled for each fund and not for each employer.

Two of the NJMPF retirement funds are defined benefit in nature. The third fund is a provident fund which is a defined contribution fund.

The last actuarial valuations of the two NJMPF Defined Benefit Funds (March 2017) showed both funds to be fully funded as regards pensions in payment. For the Retirement Fund the fund is underfunded as regards contributing members - thus the employers are paying a surcharge. For the Superannuation Fund the fund has sufficient assets to cover the basic liability as regards contributing members, but not any solvency reserves for the contributing members. A primary reason for the surcharge is that salaries have been increased at rates well in excess of inflation over the past number of years, which has increased the liabilities of the two Defined Benefit Funds. From 2016: surcharge updated to 21.65% for Retirement Fund and 9.5% for Superannuation Fund (please refer to valuation reports available from the Fund's website or the Director). The 2017 actuarial valuation reflected a higher required contribution rate in the Retirement Fund, which would result in a higher required surcharge to fund the deficit. However, the trustees were conscious of affordability and accordingly from January 2017 the surcharge for each local authority of 9.5% in the Superannuation Fund was reduced to offset the required increase in the local authority's surcharge to the Retirement Fund. In principle the increase in the surcharge to the Retirement Fund would not result in any local authority incurring additional costs. The total surcharge per local authority thus remains unchanged, but the split between the Superannuation Fund and Retirement Fund will be different for each local authority.

The three funds cater for employees of all municipalities in KZN. Each fund is treated as one fund and not as a collection of sub-funds for each participating municipality. In the DB funds any surplus or deficit is spread across all municipalities - each municipality pays the same rate of contribution and the same rate of surcharge. A special additional surcharge is levied individually on municipalities where an employee has received a salary increase that is deemed to be excessive in comparison with the other municipalities. This has the effect of removing some of the cross-subsidisation between municipalities. Other than this, all municipalities are treated in the same manner.

Each of the funds undergoes an actuarial valuation each year in order to monitor its financial condition. If necessary the Committee of Management levies a surcharge until the fund is in a sound financial condition, as is currently the case. In this way the Committee ensures that the funds are able to afford the promised benefits.

Durban Pension Fund:

The Durban Pension Fund is a closed defined benefit fund. With effect from the 1 June 2015 the Fund has been administered by Alexander Forbes prior to which it was administered by the eThekweni Municipality. The rules of the Fund require that the financial condition of the Fund be investigated and reported on by the Fund's actuary annually. The statutory valuation as at 2016-01-01 revealed that the Fund was 106.5% funded. The value of assets amounted to R11.27 billion whilst the value of liabilities was determined to be R10.59 billion. The active member pool solvency reserve is 64.5% funded and the pensioner pool solvency reserve is 100% funded. Members and the employer contribute at the rate of 7.5% and 19.68% respectively with a further contribution of 9.30% being required to be funded by the employer surplus account and 1.38% from the contribution stabilization reserve account with effect from 1 August 2016.

An interim valuation as at 1 January 2018 revealed that the Fund was 112.6% funded. The value of the assets amounted to R11.58 billion compared to the liabilities and reserves of R10.28 billion. As at 1 January 2018, the active solvency reserve was 89.6% funded and the pensioner solvency reserve was 100% funded.

In compliance with the Fund's rules the Council contributed an amount of R49.16 million for the year ended 31 December 2017 and an amount of R23.23 million was funded from the Employer Surplus Account.

eThekweni Municipality and its Municipal Entities

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017

21. Employee benefit obligations (continued)

The asset composition of the Durban Pension Fund is summarised below:

SA Equities	33.62 %	31.99 %	33.62 %	31.99 %
SA Bonds	41.54 %	43.64 %	41.54 %	43.64 %
SA Cash	1.55 %	1.45 %	1.55 %	1.45 %
SA Other	0.49 %	0.63 %	0.49 %	0.63 %
SA Property	4.80 %	4.81 %	4.80 %	4.81 %
Foreign	18.00 %	17.48 %	18.00 %	17.48 %
	100.00 %	100.00 %	100.00	100.00 %

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
22. Unspent conditional grants and receipts				
Unspent conditional grants and receipts comprises of:				
Electricity Demand Side Management Grant	847	960	847	960
Department of Co-Operative Governance and Traditional Affairs	5,000	5,000	5,000	5,000
Department of Transport and Public Transport Infrastructure	306,583	-	306,583	-
Department of Environmental Affairs	7,838	8,338	7,838	8,338
Neighbourhood Development Partnership	28,850	28,154	28,850	28,154
Department of Arts and Culture	528,346	505,250	528,346	505,250
Grant Accreditation	4,913	11,929	4,913	11,929
Department of Human Settlements	138,110	83,735	138,110	83,735
European Union	5,659	2,077	5,659	2,077
Donations and Public Contributions	30,793	30,794	30,793	30,794
D Moss Interest and Land Sales	8,073	8,073	8,073	8,073
Infrastructure Skills grant	5,635	5,321	5,635	5,321
Department of Health	62,084	51,689	62,084	51,689
Sports and Recreation Grant	10,525	10,525	10,525	10,525
DPSA - Aquaponics Projects	-	1,461	-	1,461
DBSA	95,992	98,984	95,992	98,984
Other Grants and Subsidies	30,421	15,698	30,421	15,698
	1,269,669	867,988	1,269,669	867,988

These amounts are invested in a ring-fenced investment until utilised. See note 30 for more detail.

eThekweni Municipality and its Municipal Entities

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Notes to the Annual Financial Statements

Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017

23. Provisions

Reconciliation of provisions - Group - 2018

	Opening Balance	Additions the year	Utilised during the year	Interest charged	Total
Current					
Staff Leave	502,223	159,560	(118,173)	-	543,610
Performance bonus	14,665	10,608	(10,648)	-	14,625
Long service awards	63,305	62,434	(56,749)	-	68,990
Non-current					
Environmental rehabilitation: Landfill sites	106,070	156,810	(1,017)	11,138	273,001
Long service awards	729,471	107,160	-	-	836,631
	1,415,734	496,572	(186,587)	11,138	1,736,857

Reconciliation of provisions - Group - 2017

	Opening Balance	Additions / (transfers)	Utilised during the year	Interest charged	Total
Current					
Staff Leave	466,703	138,162	(102,642)	-	502,223
Clearance of Alien Vegetation	19,820	(19,820)	-	-	-
Performance bonus	15,145	9,377	(9,857)	-	14,665
Long service awards	62,286	54,426	(53,407)	-	63,305
Non-current					
Environmental rehabilitation: Landfill sites	101,386	(409)	(5,553)	10,646	106,070
Clearance of Alien Vegetation	41,887	(41,887)	-	-	-
Long service awards	726,756	2,715	-	-	729,471
	1,433,983	142,564	(171,459)	10,646	1,415,734

Reconciliation of provisions - Municipality - 2018

	Opening Balance	Additions	Utilised during the year	Interest charged	Total
Current					
Staff Leave	497,537	158,462	(118,173)	-	537,826
Performance bonus	12,788	9,869	(10,648)	-	12,009
Long service awards	63,305	62,434	(56,749)	-	68,990
Non-current					
Environmental rehabilitation: Landfill sites	106,070	156,810	(1,017)	11,138	273,001
Long service awards	729,471	107,160	-	-	836,631
	1,409,171	494,735	(186,587)	11,138	1,728,457

Reconciliation of provisions - Municipality - 2017

	Opening Balance	Additions / (transfers)	Utilised during the year	Interest charged	Total
Current					
Staff Leave	461,580	138,162	(102,205)	-	497,537
Clearance of Alien Vegetation	19,820	(19,820)	-	-	-
Performance bonus	13,525	9,120	(9,857)	-	12,788
Long service awards	62,286	54,426	(53,407)	-	63,305
Non-current					
Environmental rehabilitation: Landfill sites	101,386	(409)	(5,553)	10,646	106,070
Clearance of Alien Vegetation	41,887	(41,887)	-	-	-
Long service awards	726,756	2,715	-	-	729,471

eThekwini Municipality and its Municipal Entities

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Notes to the Annual Financial Statements

	1,427,240	142,307	(171,022)	10,646	1,409,171
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eThekweni Municipality and its Municipal Entities

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Notes to the Annual Financial Statements

Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
23. Provisions (continued)				
Non-current liabilities	1,109,632	835,541	1,109,632	835,541
Current liabilities	627,225	580,193	618,825	573,630
	1,736,857	1,415,734	1,728,457	1,409,171

Environmental rehabilitation: Landfill sites

The Landfill Rehabilitation Provision is created for the rehabilitation of the current operational sites at the future estimated time of closure. The value of the provision is based on the expected future cost to rehabilitate the various sites discounted back to the balance sheet date at the cost of capital, which was 10.00% at 30 June 2018. The Municipality has an obligation to rehabilitate these Landfill sites. The cost of such property includes the initial estimate of the costs of rehabilitating the land and restoring the site on which it is located, the obligation for which a municipality incurs as a consequence of having used the property during a particular period for landfill purposes. The Municipality estimates the useful lives and makes assumptions as to the useful lives of these assets, which influence the provision for future costs. The asset is measured using the cost model:

- subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
- if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and
- if the adjustment results in an addition to the cost of an asset, the Municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount, and any impairment loss is recognised in surplus or deficit.

The following assumptions were used to calculate the provision:

- Discount rate of 10.00% (June 2017: 10.50%);
- Inflation rate 4.60% (June 2017: 5.10%);
- Total area expected to be rehabilitated: 964 151 square metres (June 2017: 964 151 square meters);
- Rate per square metre: R404.93 (June 2017: R162.30) escalating every year by inflation rate;
- Total area to be rehabilitated can be reconciled to the different sites as follows:

Bisasar	360,326	360,326
Marianhill	239,725	239,725
Wyebank	25,000	25,000
Shallcross	29,800	29,800
Buffelsdraai	259,300	259,300
Lovu	50,000	50,000

During the current period there was a change in the assumptions used to calculate the provision for the rehabilitation of landfill sites, which resulted in a change in estimate of R156.8million, increasing the provision. This change is mainly attributable to a change in the cost per square meter used in the calculation of the total rehabilitation costs, the incorporation of a fixed lump sum component in the total cost calculation and the revision of the useful lives for the various sites. These changes resulted in a significant increase in the total cost to rehabilitate each of our landfill sites. The useful lives were revised due to less waste being dumped in the current period than what was originally anticipated resulting in an extension of the lives of these landfill sites. The costs were revised to incorporate the new changes to GRAP that are expected to come into effect in 2019.

The total rehabilitation can be reconciled as follows:

Name	Opening Balance	Expenditure	Interest	Change in Estimate	Closing Balance
Bisasar	57,608	(1,017)	6,049	82,649	145,289
Marianhill	37,005	-	3,886	56,576	97,467
Wyebank	4,057	-	426	6,843	11,326
Shallcross	3,239	-	340	5,750	9,329

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Figures in Rand thousand	2018	2017	2018	2017
23. Provisions (continued)				
Buffelsdraai	1,327	-	139	1,995
Lovu	2,834	-	298	2,997
Totals	106,070	(1,017)	11,138	156,810
			273,001	

Performance Bonus

All employees who are employed in accordance with provisions of section 57 of the Municipal Systems Act are required, in terms of their employment contracts, to sign a performance agreement and performance plan in terms of which their performance is assessed annually. The criteria in terms of which they are assessed is linked to the I.D.P. 8-point plan. Strategic focus areas and key performance indicators are set out in the plan, together with targets and weightings for each target. Employees are assessed quarterly against these targets and a final assessment is conducted at the end of the financial year. The performance bonus paid to each employee is dependant on the overall score achieved in this assessment and is subject to the approval of the City Manager.

Long service awards

Revised Conditions of Service for employees are currently being negotiated. The interim conditions of service for Employees are as follows:

Long Service Leave will accrue as follows:

Long Service Leave	Worker- No.of days p.a.	5 Day	5 Day Worker- Accum per milestone	6 Day Worker- No.of days p.a.	6 Day Worker- Accum per milestone
After 20 years		2	25	3	30
After 30 years		4	35	5	50
After 40 years		5	45	6	40
Maximum Accumulation			75		90

Employees who achieve 25 years service receive a once off cash payment of R500 and upon achievement of 40 years service, employees receive a gold wrist watch or a comparable gift.

Employees who achieve 40 years service will be granted 20 days paid leave (once off) and a scroll duly signed by the Mayor in recognition of loyal service rendered to the Council. A long service allowance will accrue as follows:

- 2% of monthly salary at 15-19 years
- 3% of monthly salary at 20-24 years
- 4% of monthly salary at 25-29 years
- 5% of monthly salary at 30-34 years
- 6% of monthly salary at 35 years or more

The abovementioned is limited to a maximum of R1 505.23 (2017: R1 406.76).

The provision is an estimate of the long service award based on the monthly salaries rate at 30 June 2018 (2017: 30 June 2017). It has been assumed that the staff turnover rate will be insignificant based on historical data. A discount rate of 9.36% (2017: 8.92%) was used based on internal rate of return.

Summary of economic assumptions (rates are per annum) and key demographic assumptions

	Municipality	
Figures in Rand thousand	2018	2017

eThekweni Municipality and its Municipal Entities

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
23. Provisions (continued)				
Gross discount rate			9.36 %	8.92 %
Salary inflation			7.43 %	6.72 %
Net discount rate			1.80 %	2.05 %
Number of trading days per year			252	252
Retirement age			63 years for males and females	63 years for males and females

Summary of membership data used in the valuation

Current employees	30 June 2018	30 June 2017
Number of current employees	24,093	22,925
Average age of employees	42.2	42.3
Average years of past service	11.2	11.4
Average annual salary (R)	213,855	200,820

Reconciliation of Defined Benefit Obligation

Opening Balance	792,776	789,042
Current Service cost	56,075	56,220
Interest cost	72,876	67,051
Actuarial losses (gains) - change in financial assumptions	100,395	(54,673)
Actuarial losses (gains) - experience variance	(51,401)	(4,205)
Cash movements - Benefit payments	(65,100)	(60,659)
	905,621	792,776

Pre-retirement mortality

Age	30 June 2018	30 June 2017
20	0.13%	0.13%
25	0.18%	0.18%
30	0.25%	0.25%
35	0.37%	0.37%
40	0.52%	0.52%
45	0.72%	0.72%
50	0.99%	0.99%
55	1.37%	1.37%
60	1.89%	1.89%

Withdrawal assumption

Age	30 June 2017	30 June 2016
20	7.85%	7.85%
25	5.67%	5.67%
30	4.20%	4.20%
35	3.31%	3.31%
40	2.23%	2.23%
45	1.21%	1.21%
50	0.55%	0.55%
55	0.00%	0.00%

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Group	Municipality			
	2018	2017	2018	2017
Figures in Rand thousand				
23. Provisions (continued)				
60+			0.00%	0.00%

eThekweni Municipality and its Municipal Entities

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
24. Housing development fund				
Accumulated Surplus	(209,509)	(143,467)	(209,509)	(143,467)
Loans extinguished by Government on 1 April 1998	266,979	266,979	266,979	266,979
	-	-		
	57,470	123,512	57,470	123,512
The housing development fund is represented by the following assets and liabilities				
Property, plant and equipment	66,875	65,567	66,875	65,567
Housing selling scheme loans	56,537	87,408	56,537	87,408
Housing rental Debtors	12,251	17,521	12,251	17,521
Housing other Debtors	33,459	31,659	33,459	31,659
Housing inventory	89	57	89	57
Investments	7,489	7,489	7,489	7,489
Investment properties	7,797	8,000	7,797	8,000
Grant accrual	226,784	276,420	226,784	276,420
Assets	411,281	494,121	411,281	494,121
Unspent Conditional Grants	82,570	32,199	82,570	32,199
Creditors	4,730	7,279	4,730	7,279
Bank Overdraft	254,488	319,334	254,488	319,334
Consumer Deposits	344	344	344	344
VAT payable	11,679	11,453	11,679	11,453
Liabilities	353,811	370,609	353,811	370,609
Total Housing Development Fund Assets and Liabilities	57,470	123,512	57,470	123,512
25. Service charges				
Sale of electricity	12,226,261	12,033,470	12,259,055	12,066,088
Sale of water	3,337,148	3,066,369	3,349,018	3,076,876
Solid waste	654,434	558,976	656,372	560,964
Sewerage and sanitation charges	933,247	736,116	933,247	736,116
Other service charges	29,047	36,966	29,047	36,966
Total service charges	17,180,137	16,431,897	17,226,739	16,477,010
26. Rental of facilities and equipment				
Sporting Bodies	244,420	64,026	244,420	64,026
Investment Properties	87,481	72,533	87,481	72,533
Business and Ancillary	147,386	144,600	147,386	144,600
Housing Rental	68,272	67,817	68,272	67,817
Other	212,482	229,753	136,547	135,564
	760,041	578,729	684,106	484,540

A decision was taken in the current financial year to include an analysis of rental income generated from rental of facilities and equipment as this information is considered to be useful for decision-making. Comparative disclosures have been provided.

The increase in sporting bodies rental is due to an increase in the value of properties rented by the sporting bodies following the valuation done in the current year in terms of the Property Rating Act. Rent for these properties are linked to the property values.

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Figures in Rand thousand	Group		Municipality	
	2018	2017	2018	2017
27. Other income				
Sundry Income	538,313	521,455	299,363	263,052
Moses Mabhida	3,245	7,217	3,245	7,217
	541,558	528,672	302,608	270,269

Refer to Appendix D for a Statement of Financial Performance: Moses Mabhida Stadium.

28. Interest revenue

Interest earned - External Investments	598,038	664,334	573,161	636,556
Interest earned - Outstanding Debtors	306,623	135,433	306,623	135,433
	904,661	799,767	879,784	771,989

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
29. Property rates				
Rates received				
Residential	2,637,209	2,242,441	2,637,209	2,242,441
Business/Commercial	2,607,807	2,192,823	2,624,189	2,206,687
Unauthorised / Illegal development	28,488	17,181	28,488	17,181
Development Phasing	1,820	1,756	1,820	1,756
Agricultural	9,653	8,155	9,653	8,155
Vacant land	514,056	433,496	514,056	433,496
Industrial	1,841,280	1,624,478	1,841,280	1,624,478
Public Service Infrastructure	33,036	30,945	33,036	30,945
Total Assessment Rates	7,673,349	6,551,275	7,689,731	6,565,139
Valuations				
Residential	331,010,850	269,562,230	331,010,850	269,562,230
Business/Commercial	111,560,724	81,729,168	111,560,724	81,729,168
Unauthorised / Illegal development	385,494	286,356	385,494	286,356
Agricultural	3,712,822	2,718,205	3,712,822	2,718,205
Vacant land	11,484,190	8,724,761	11,484,190	8,724,761
Industrial	59,588,352	46,546,651	59,588,352	46,546,651
Public Service Infrastructure	18,151,479	15,108,014	18,151,479	15,108,014
Development Phasing Line	116,682	99,778	116,682	99,778
Total Property Valuations	536,010,593	424,775,163	536,010,593	424,775,163

The following are the rate randages that were applied to the valuations in respect of the various categories: Residential - R0.01060 (2017: R0.01190); Agriculture - R0.00260 (2017: R0.00300); Vacant Land - R0.04730 (2017: R0.05340); Industrial - R0.03090 (2017: R0.03490); Business and Commercial - R0.02390 (2017: R0.02700); Public Service Infrastructure - R0.00260 (2017: R0.00300); Unauthorised / Illegal Development - R0.07390 (2017: R0.06000); Development Phasing line - R0.01560 (2017: R0.01760); Rural Residential R0.01060 (2017: R0.01190). In addition to the statutory reduction of R150 000, a further reduction of R105 000 was approved for property values exceeding R230 000. In addition to the R230 000, pensioners, child-headed households, disability grantees and the medically boarded are granted a further rebate not exceeding R4 035 p.a. The Senior Citizens rebate is restricted to a maximum limit of R3 million on the value of the property.

Valuations based on market values are performed every 5 years. The last general valuation came into effect on 1 July 2017. Interim valuations are processed on an annual basis to take into account changes in individual property values as well as to adjust for valuation appeals where applicable.

There has been a reclassification of rates within the categories in the prior year. This is due to the use-apportionment in splitting these in the prior year which has been reassessed.

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
30. Government grants and subsidies				
Equitable Share	2,582,776	2,319,380	2,582,776	2,319,380
Expanded Public Works Programme Incentive	66,792	49,478	66,792	49,478
European Union	658	3,355	658	3,355
Primary Health Care Provincial Subsidy	233,279	111,836	233,279	111,836
Department of Transport and Public Transport infrastructure	610,567	950,078	610,567	950,078
Department of Environmental Affairs	500	6,140	500	6,140
Municipal Human Settlements Capacity Grant	-	14,342	-	14,342
Demand Side Management	14,153	3,357	14,153	3,357
Urban Settlement Development Grant	1,980,109	1,885,685	1,980,109	1,885,685
Other Grants	37,158	26,460	37,158	26,460
Public Contributions	1	8,457	1	8,457
Neighbourhood Development Partnership	21,824	31,799	21,824	31,799
Department of Human Settlements	58,171	75,779	58,171	75,779
Grant Accreditation	19,934	35,417	19,934	35,417
Department of Arts and Culture	49,467	40,248	49,467	40,248
DPSA - Aquaponics Projects	1,461	-	1,461	-
Integrated City Development Grant	39,111	50,256	39,111	50,256
Electricity Capital Grant	35,000	31,000	35,000	31,000
DBSA Grant	5,355	15,398	5,355	15,398
Infrastructure Skills Grant	6,258	26,034	6,258	26,034
	5,762,574	5,684,499	5,762,574	5,684,499

Equitable Share

Current-year receipts	2,582,776	2,319,380	2,582,776	2,319,380
Conditions met - transferred to revenue	(2,582,776)	(2,319,380)	(2,582,776)	(2,319,380)
	-	-	-	-

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

D Moss Interest and Land Sales

Balance unspent at end of year	8,073	8,073	8,073	8,073
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Conditions still to be met - remain liabilities (see note 22).

The above relates to funding for the acquisition of D Moss land. Awaiting the finalisation of land purchase for D Moss.

Department of Environmental Affairs

Balance unspent at beginning of year	8,338	7,838	8,338	7,838
Current-year receipts	-	6,640	-	6,640
Conditions met - transferred to revenue	(500)	(6,140)	(500)	(6,140)
	7,838	8,338	7,838	8,338

Conditions still to be met - remain liabilities (see note 22).

Funding was obtained from various sources and local industries for the implementation of the South Durban Basin Multi Point Plan. The expenditure is incurred over a multi year period based on the rollout of the projects per programme. Further funding will be expended based on the outcome of the Air Quality Management Plan which is currently underway. This grant is received from Department of Environmental Affairs for the National Greening Programme and the promotion of non-motorised transport with the aim of reducing gas emissions.

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Notes to the Annual Financial Statements

Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
30. Government grants and subsidies (continued)				
Department of Transport and Public Transport Infrastructure				
Current-year receipts	917,150	950,078	917,150	950,078
Conditions met - transferred to revenue	(610,567)	(950,078)	(610,567)	(950,078)
	306,583	-	306,583	-

Conditions still to be met - remain liabilities (see note 22).

The funds received and utilised relates to subsidy for Remant/ Alton Bus Operating subsidy and traffic and pedestrian planning. There were delays in the projects funded by this grant due to disruptions and delays in the construction of the Traffic Management Centre (TMC).

Neighbourhood Partnership Development

Balance unspent at beginning of year	28,154	261	28,154	261
Current-year receipts	50,674	59,953	50,674	59,953
Conditions met - transferred to revenue	(21,824)	(31,799)	(21,824)	(31,799)
Paid back	(28,154)	(261)	(28,154)	(261)
	28,850	28,154	28,850	28,154

Conditions still to be met - remain liabilities (see note 22).

Focus of the grant is to create economic infrastructure in dormitory townships that will attract private sector investment.

European Union

Balance unspent at beginning of year	2,077	5,433	2,077	5,433
Current-year receipts	4,240	-	4,240	-
Conditions met - transferred to revenue	(658)	(3,356)	(658)	(3,356)
	5,659	2,077	5,659	2,077

Conditions still to be met - remain liabilities (see note 22).

The Municipality has an Area-based Management Programme that focuses on key areas of the council and enhances service delivery and stimulates job and income generation to these basic areas. The funds are also utilised for informal settlement housing upgrades. The R4.2m was only received late in the financial year and will be utilised during the 2018/19 financial year.

Other Grants and Subsidies

Balance unspent at beginning of year	15,698	16,668	15,698	16,668
Current-year receipts	51,881	25,490	51,881	25,490
Conditions met - transferred to revenue	(37,158)	(26,460)	(37,158)	(26,460)
	30,421	15,698	30,421	15,698

Conditions still to be met - remain liabilities (see note 22).

Other grants and subsidies were utilised during the year to fund various Council projects. Underspending was also due to part of the funding received late in the year.

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Notes to the Annual Financial Statements

Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
30. Government grants and subsidies (continued)				
Department of Human Settlements				
Balance unspent at beginning of year	83,735	141,047	83,735	141,047
Current-year receipts	110,242	1,000	110,242	1,000
Conditions met - transferred to revenue	(58,171)	(75,779)	(58,171)	(75,779)
Accrued receipts	2,304	17,467	2,304	17,467
	138,110	83,735	138,110	83,735

Conditions still to be met - remain liabilities (see note 22).

The unspent grant is also due to funding for Social Housing and Housing Conveyancing received late in the year.

Funding is used for:

- * Administration of hostels in KZN;
- * Social housing and housing conveyancing;
- * R293 projects and Cornubia construction.

Grant Accreditation

Balance unspent at beginning of year	11,929	19,077	11,929	19,077
Current-year receipts	12,918	28,269	12,918	28,269
Conditions met - transferred to revenue	(19,934)	(35,417)	(19,934)	(35,417)
	4,913	11,929	4,913	11,929

Conditions still to be met - remain liabilities (see note 22).

These funds are for the administrative support provided for RDP houses.

Department of Co-operative Governance and Traditional Affairs

Balance unspent at end of year	5,000	5,000	5,000	5,000
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Conditions still to be met - remain liabilities (see note 22).

These funds are used for implementing projects identified through the KZN Corridor Development Programme, supporting existing Council initiatives that require additional funding, and to unlock strategic economic development opportunities within the Northern Municipal Planning Region (NMPR) of the City.

The delay is due to the municipality awaiting commitment/ confirmation from National and Provincial government in respect of funding of the entire project for which this money was earmarked as it is currently insufficient to complete the project.

Donations and Public Contributions

Balance unspent at beginning of year	30,794	11,501	30,794	11,501
Current-year receipts	-	27,750	-	27,750
Conditions met - transferred to revenue	(1)	(8,457)	(1)	(8,457)
	30,793	30,794	30,793	30,794

Conditions still to be met - remain liabilities (see note 22).

The grants were received from various organisations to finance various developments. In the prior year this includes development of Nandi Drive and various roads in Hillcrest.

eThekweni Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

Notes to the Annual Financial Statements

Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
30. Government grants and subsidies (continued)				
Department of Arts and Culture				
Balance unspent at beginning of year	505,250	443,082	505,250	443,082
Current-year receipts	72,563	102,416	72,563	102,416
Conditions met - transferred to revenue	(49,467)	(40,248)	(49,467)	(40,248)
	528,346	505,250	528,346	505,250

Conditions still to be met - remain liabilities (see note 22).

The grant is for the capital and operating expenditure for the Libraries as well as the Museum. There have been challenges in the procurement process for the libraries as well as delays in the capital project of the Museum which has resulted in delays in the procurement of capital assets (computer, furniture, artworks etc.) for the Museum therefore resulting in under expenditure.

Electricity Demand Side Management Grant

Balance unspent at beginning of year	960	8,636	960	8,636
Current-year receipts	15,000	-	15,000	-
Conditions met - transferred to revenue	(14,153)	(3,357)	(14,153)	(3,357)
Paid back	(960)	(4,319)	(960)	(4,319)
	847	960	847	960

Conditions still to be met - remain liabilities (see note 22).

The grant is used to finance the gas-to-electricity capital project.

Infrastructure Skills Grants

Balance unspent at beginning of year	5,321	-	5,321	-
Current-year receipts	30,293	31,355	30,293	31,355
Grant transferred - Umgeni Water	(18,400)	-	(18,400)	-
Paid back	(5,321)	-	(5,321)	-
Conditions met - transferred to revenue	(6,258)	(26,034)	(6,258)	(26,034)
	5,635	5,321	5,635	5,321

Conditions still to be met - remain liabilities (see note 22).

This grant is used for the development of engineering and related technology graduates to equip themselves in achieving professional registration in water and wastewater related skills. The spending is lower due to a decrease in the number of students funded by this grant and the delay in the appointment of a mentor.

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Notes to the Annual Financial Statements

Figures in Rand thousand	Group		Municipality	
	2018	2017	2018	2017
30. Government grants and subsidies (continued)				
Urban Settlements Development Grant				
Current-year receipts	1,980,109	1,885,685	1,980,109	1,885,685
Conditions met - transferred to revenue	(1,980,109)	(1,885,685)	(1,980,109)	(1,885,685)
	-	-	-	-

This grant was utilised for housing densification, water, electricity and sanitation infrastructure, sidewalks, agricultural gardens and various town centre renewals. This grant has replaced the former Municipal Infrastructure Grant.

Expanded Public Works Incentive Grant

Current-year receipts	66,792	49,478	66,792	49,478
Conditions met - transferred to revenue	(66,792)	(49,478)	(66,792)	(49,478)
	-	-	-	-

This grant is received from the National Department of Public Works for creating job opportunities for unemployed persons and so allowing them economic participation and resulting in poverty alleviation.

eThekweni Municipality and its Municipal Entities

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Notes to the Annual Financial Statements

Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
30. Government grants and subsidies (continued)				
Primary Health Care Provincial Subsidy				
Balance unspent at beginning of year	51,689	-	51,689	-
Current-year receipts	187,569	111,836	187,569	111,836
Stock Medicine	10,395	51,689	10,395	51,689
Conditions met - transferred to revenue	(233,279)	(111,836)	(233,279)	(111,836)
Accrued receipts	45,710	-	45,710	-
	62,084	51,689	62,084	51,689

Conditions still to be met - remain liabilities (see note 22).

Municipality renders health services on behalf of the Provincial Government. This grant has been used exclusively to fund clinic services.

Municipal Human Settlements Capacity Grant

Balance unspent at beginning of year	-	26,450	-	26,450
Conditions met - transferred to revenue	-	(14,342)	-	(14,342)
Paid back	-	(12,108)	-	(12,108)
	-	-	-	-

This grant was used to build capacity in municipalities to deliver and subsidise the operational cost of administering human settlements programmes.

Department of Sports & Recreation

Balance unspent at end of year	10,525	10,525	10,525	10,525
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Conditions still to be met - remain liabilities (see note 22).

This grant is used for Durban Soccer Academy and this has been delayed due to litigation matters still in court.

DPSA - Aquaponics Projects

Balance unspent at beginning of year	1,461	-	1,461	-
Current-year receipts	-	1,461	-	1,461
Conditions met - transferred to revenue	(1,461)	-	(1,461)	-
	-	1,461	-	1,461

This grant was used for Aquaponics projects by the Department of Public Service and Administration.

DBSA

Balance unspent at beginning of year	98,984	19,686	98,984	19,686
Current-year receipts	2,363	94,696	2,363	94,696
Conditions met - transferred to revenue	(5,355)	(15,398)	(5,355)	(15,398)
	95,992	98,984	95,992	98,984

Conditions still to be met - remain liabilities (see note 22).

To be used for the various community reforestation projects and rehabilitation of the Palmiet River projects.

Electricity Capital Grant

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	Group		Municipality	
Figures in Rand thousand	2018	2017	2018	2017
30. Government grants and subsidies (continued)				
Current-year receipts	35,000	31,000	35,000	31,000
Conditions met - transferred to revenue	(35,000)	(31,000)	(35,000)	(31,000)
	-	-	-	-

This grant was used for the electrification programme of indigents.

Integrated City Development

Current-year receipts	39,111	50,256	39,111	50,256
Conditions met - transferred to revenue	(39,111)	(50,256)	(39,111)	(50,256)
	-	-	-	-

The grant was used to provide financial incentive for metropolitan municipalities to integrate and focus their use of available infrastructure investment and regulatory instruments to achieve a more compact urban spatial form.

31. Levies

Fuel levy	2,211,611	2,185,002	2,211,611	2,185,002
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National Treasury shared revenue generated by the general fuel levy.

eThekweni Municipality and its Municipal Entities

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
32. Employee related costs				
Employee related costs - Salaries and Wages	5,562,847	5,071,290	5,409,810	4,930,837
Medical aid and Pension Benefits	2,080,218	1,774,686	2,080,218	1,774,686
UIF and Workmans Compensation	57,185	55,480	42,347	41,469
Contribution to Provisions (Leave Pay, Performance Bonus, Long Service Awards) Travel, motor car, accommodation, subsistence and other allowances	339,107	204,567	338,912	204,659
Overtime payments	401,427	368,714	401,427	368,714
Housing benefits and allowances	1,229,556	980,027	1,225,627	976,263
Holiday Bonus (13th Cheque)	45,801	41,718	45,801	41,718
Other	418,380	384,912	418,380	384,912
Less: Employee costs relating to capitalisation and maintenance of PPE	22,148	25,509	21,934	25,509
	(74,736)	(46,648)	(74,736)	(46,648)
	10,081,933	8,860,255	9,909,720	8,702,119

Remuneration of the Municipal Manager - Mr. S. Nzuza (appointed 1 May 2017)

Annual Remuneration	2,912	456	2,912	456
Car Allowance	180	30	180	30
Other Allowances (Subsistence, Backpay)	91	-	91	-
Contributions to UIF and SDL	33	5	33	5
	3,216	491	3,216	491

Remuneration of the Chief Finance Officer - Mr. K. A. Kumar

Annual Remuneration	1,596	1,487	1,596	1,487
Car Allowance	553	515	553	515
Performance Bonuses	147	133	147	133
Holiday Bonus (13th cheque)	133	124	133	124
Market Allowance	242	242	242	242
Cellphone Allowance	18	18	18	18
Other Allowances (Subsistence)	11	20	11	20
Contributions to UIF, SDL, Medical and Pension Funds	372	349	372	349
	3,072	2,888	3,072	2,888

Economic Development and Planning - Mr. P. Sithole (appointed 1 January 2018 - internally)

Annual Remuneration	1,270	-	1,270	-
Car Allowance	392	-	392	-
Holiday Bonus (13th cheque)	94	-	94	-
Cellphone Allowance	10	-	10	-
Other Allowances (Subsistence, Leave Cashing, Acting)	265	-	265	-
Contributions to UIF, SDL, Medical and Pension Funds	371	-	371	-
	2,402	-	2,402	-

Health and Social Services - Dr. M. Gumede (resigned 31 July 2017)

Annual Remuneration	161	1,936	161	1,936
Car Allowance	10	120	10	120

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
32. Employee related costs (continued)				
Performance Bonuses	137	156	137	156
Cellphone Allowance	1	12	1	12
Other Allowances (Subsistence, Leave Cashing)	266	94	266	94
Contributions to UIF, SDL, and Medical Fund	8	58	8	58
	583	2,376	583	2,376
Governance - Mr. S. O. Cele				
Annual Remuneration	1,596	1,487	1,596	1,487
Car Allowance	553	515	553	515
Performance Bonuses	99	123	99	123
Holiday Bonus (13th cheque)	133	124	133	124
Market Allowance	121	121	121	121
Cellphone Allowance	12	12	12	12
Other Allowances (Subsistence, Leave Cashing)	85	38	85	38
Contributions to UIF, SDL, Medical and Pension Funds	360	339	360	339
	2,959	2,759	2,959	2,759
Trading Services - Mr. Mashoko				
Annual Remuneration	2,280	1,957	2,280	1,957
Car Allowance	108	99	108	99
Holiday Bonus (13th cheque)	192	171	192	171
Market Allowance	243	223	243	223
Cellphone Allowance	12	11	12	11
Other Allowances (Subsistence, Non-pensionable, Backpay)	118	63	118	63
Contributions to UIF, SDL and Pension Fund	556	474	556	474
	3,509	2,998	3,509	2,998
Head: City Integrity and Investigation - Mr. Ngcobo				
Annual Remuneration	1,078	1,002	1,078	1,002
Car Allowance	374	348	374	348
Performance Bonuses	-	93	-	93
Holiday Bonus (13th cheque)	90	85	90	85
Cellphone Allowance	9	9	9	9
Other Allowances (Subsistence, Leave Cashing, Backpay)	49	76	49	76
Contributions to UIF, SDL, Medical and Pension Funds	257	246	257	246
	1,857	1,859	1,857	1,859
Corporate and Human Resources - Mrs. D. P. Nene (contract expired 31 January 2018; temporary contract from 1 February 2018)				
Annual Remuneration	1,837	1,775	1,837	1,775
Car Allowance	108	108	108	108
Performance Bonuses	135	172	135	172
Holiday Bonus (13th cheque)	93	148	93	148
Cellphone Allowance	12	12	12	12
Other Allowances (Acting)	-	82	-	82
Contributions to UIF, SDL, and Medical Fund	59	56	59	56
	2,244	2,353	2,244	2,353

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
32. Employee related costs (continued)				
Human Settlement - Ms. B. Mphakathi (appointed 1 May 2018 - internally)				
Annual Remuneration	1,217	-	1,217	-
Car Allowance	339	-	339	-
Holiday Bonus (13th cheque)	94	-	94	-
Cellphone Allowance	10	-	10	-
Other Allowances (Subsistence, Backpay, Acting, Housing)	218	-	218	-
Contributions to UIF, SDL, Medical and Pension Funds	336	-	336	-
	2,214	-	2,214	-
Remuneration of the Municipal Manager - Mr. S. Sithole (contract expired 31 December 2016)				
Annual Remuneration	-	1,364	-	1,364
Car Allowance	-	103	-	103
Performance Bonuses	188	247	188	247
Contributions to UIF, Medical and Pension Funds	-	24	-	24
Other Allowances (Subsistence, Leave cashing, Backpay)	-	575	-	575
	188	2,313	188	2,313
Head: Internal Audit/Chief Audit Executive - Mr. P Ntsimane (resigned 31 August 2017)				
Annual Remuneration	184	1,018	184	1,018
Car Allowance	64	353	64	353
Performance Bonuses	121	107	121	107
Holiday Bonus (13th cheque)	-	85	-	85
Cellphone Allowance	1	9	1	9
Other Allowances (Subsistence, Non-pensionable, Leave Cashing)	43	155	43	155
Contributions to UIF, SDL, Medical and Pension Funds	44	241	44	241
	457	1,968	457	1,968
Head: Information Management Unit/ Chief Information Officer - Mr. R. Dhlamini				
Annual Remuneration	1,088	1,014	1,088	1,014
Car Allowance	377	351	377	351
Performance Bonuses	84	92	84	92
Holiday Bonus (13th cheque)	91	84	91	84
Cellphone Allowance	9	9	9	9
Other Allowances (Subsistence, Leave Cashing)	20	46	20	46
Contributions to UIF, SDL, Medical and Pension Funds	260	246	260	246
	1,929	1,842	1,929	1,842
Chief Strategic Officer - Mr. A. Peters				
Annual Remuneration	1,481	1,380	1,481	1,380
Car Allowance	510	475	510	475
Performance Bonuses	154	141	154	141
Holiday Bonus (13th cheque)	124	115	124	115
Market Allowance	524	524	524	524

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Group	Municipality			
	2018	2017	2018	2017
Figures in Rand thousand				
32. Employee related costs (continued)				
Cellphone Allowance	12	12	12	12
Other Allowances (Subsistence, Entertainment)	83	71	83	71
Contributions to UIF, SDL, Medical and Pension Funds	335	297	335	297
	3,223	3,015	3,223	3,015
ICC Durban (Proprietary) Limited				
Chief Executive Officer: L. Rakharebe	2,937	2,386	-	-
Finance and Commercial Director: M. Rambally	2,056	1,669	-	-
Sales and Marketing Director: M. Dorasamy - (resigned 31 July 2017)	229	1,364	-	-
Executive Chef: J. Moatshe	1,157	1,125	-	-
Operations Director: N. Elia-Beissel - (resigned 30 September 2016)	-	491	-	-
Facilities Director: J. Hurter - (terminated 28 August 2017)	246	1,416	-	-
Human Resources Director: M. Mokaba - (appointed 01 January 2017)	1,530	706	-	-
Operations Director: M. Ngubane - (appointed 09 May 2017)	1,192	168	-	-
Marketing, Sales and Events Director: S. Langley - (appointed 01 December 2017)	827	-	-	-
	10,174	9,325	-	-
Durban Marine Theme Park (State Owned Company) Limited				
Chief Executive Officer: C.N. Khumalo	2,258	2,098	-	-
Chief Financial Officer: J.H. Dlamuka - (resigned 30 September 2017)	600	1,737	-	-
Chief Financial Officer: X. Hlongwane - (appointed 01 December 2017)	910	-	-	-
Chief Operating Officer: P.N. Pillay	1,704	1,556	-	-
Marketing Executive: N. Mthembu	1,093	1,043	-	-
Retail Executive: G.A. Jacobson	1,141	1,054	-	-
Food and Beverage Executive: M.A. Mokoena	1,137	1,003	-	-
Human Resources Executive: A. Ngubane	1,138	987	-	-
	9,981	9,478	-	-
33. Remuneration of councillors				
Mayor	1,311	1,278	1,311	1,278
Deputy Mayor	1,064	1,044	1,064	1,044
Mayoral Committee Members	8,719	7,511	8,719	7,511
Speaker	1,063	1,062	1,063	1,062
Councillors	106,407	99,165	106,407	99,165
Traditional Leaders	780	874	780	874
Total Councillors' Remuneration	119,344	110,934	119,344	110,934

In-kind benefits

The Mayor, Deputy Mayor, Speaker and Executive Committee Members are provided with bodyguards and are provided with an office and secretarial support at the cost of the Council.

The Mayor and the Deputy Mayor each have the use of separate Council owned vehicles for official duties.

eThekweni Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

Notes to the Annual Financial Statements

Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
33. Remuneration of councillors (continued)				
Mayor (1)				
Remuneration Allowances	989	759	989	759
Travelling Allowance	81	170	81	170
Motor Vehicle Allowance	-	130	-	130
Cellphone allowance	41	48	41	48
Medical Aid	47	58	47	58
Pension Fund	153	113	153	113
	1,311	1,278	1,311	1,278
Deputy Mayor (1)				
Remuneration Allowances	832	653	832	653
Travelling Allowance	-	11	-	11
Motor Vehicle Allowance	63	238	63	238
Cellphone allowance	41	47	41	47
Medical Aid	-	5	-	5
Pension Fund	128	90	128	90
	1,064	1,044	1,064	1,044
Speaker (1)				
Remuneration Allowances	633	609	633	609
Travelling Allowance	-	52	-	52
Motor Vehicle Allowance	255	238	255	238
Cellphone allowance	41	40	41	40
Medical Aid	36	37	36	37
Pension Fund	98	86	98	86
	1,063	1,062	1,063	1,062
Mayoral Committee Members (9)				
Remuneration Allowances	5,768	4,447	5,768	4,447
Travelling Allowance	642	582	642	582
Motor Vehicle Allowance	678	1,309	678	1,309
Cellphone allowance	355	186	355	186
Medical Aid	380	342	380	342
Pension Fund	896	645	896	645
	8,719	7,511	8,719	7,511
Councillors (207)				
Remuneration Allowances	64,696	59,698	64,696	59,698
Travelling Allowance	4,212	6,809	4,212	6,809
Motor Vehicle Allowance	13,497	16,570	13,497	16,570
Cellphone allowance	8,453	4,679	8,453	4,679
Medical Aid	6,434	4,515	6,434	4,515
Pension Fund	9,115	6,894	9,115	6,894
	106,407	99,165	106,407	99,165
Traditional Leaders (13)				
Allowances	780	874	780	874

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
34. Finance costs				
Non-current borrowings	811,675	886,411	811,675	886,411
Trade and other payables	40,634	11,277	40,634	11,277
Other interest paid	11	271	7	271
	852,320	897,959	852,316	897,959

An amount of R3.0m (2017: R5.1m) relating to borrowing costs was capitalised to work-in-progress with 9% (2017: 9%) being the weighted average cost of funds borrowed generally by the Municipality. The capitalisation of interest is only applicable for qualifying assets that existed before the decision by council to expense all borrowing costs. For these assets, borrowing costs will be capitalised to work-in-progress until such a time the project is completed and capitalised. All other borrowing costs are expensed when incurred.

The accumulated borrowing costs that have been capitalised to work-in-progress at 30 June 2018 are R82.1m (30 June 2017: R79.1m).

As of 1 July 2016 (effective date) interest no longer accrued on consumer deposits (previously accrued at 3% p.a.). All interest that had accrued up to the effective date was added to the deposit held. Refer to Note 20: Consumer Deposits for further details on the cessation of interest on consumer deposits.

35. Bulk purchases (cost of sales)

Electricity	8,280,136	8,299,873	8,280,136	8,299,873
Water	2,153,514	1,799,135	2,153,514	1,799,135
	10,433,650	10,099,008	10,433,650	10,099,008

36. Contracted services

Consultants and Professional services	244,184	228,347	244,184	228,347
Engineering and other technical services	59,120	53,962	59,120	53,962
Legal expenses	38,138	34,936	38,138	34,936
Research and advisory	65,677	48,760	65,677	48,760
Project management	28,399	30,550	28,399	30,550
Other	52,850	60,139	52,850	60,139
Contractors	2,391,704	2,278,730	2,377,531	2,261,733
Repairs and Maintenance	2,138,345	1,988,004	2,138,345	1,988,004
Stage and sound crew	22,838	16,227	22,838	16,227
Catering services	47,415	39,356	47,415	39,356
Event promoters	33,004	41,618	33,004	41,618
Recycling	30,869	17,860	30,869	17,860
Artists and performers	38,503	51,310	38,503	51,310
Other	80,730	124,355	66,557	107,358
Outsourced services	1,797,129	1,456,128	1,797,129	1,456,128
Administrative and support staff	263,627	194,440	263,627	194,440
Clearing and grass cutting services	135,302	128,347	135,302	128,347
Hygiene services	111,949	68,794	111,949	68,794
Meter management	50,640	31,504	50,640	31,504
Refuse removal	333,855	255,755	333,855	255,755
External security	751,612	626,193	751,612	626,193
Cleaning services	74,273	70,216	74,273	70,216
Other	75,871	80,879	75,871	80,879
	4,433,017	3,963,205	4,418,844	3,946,208

A decision was taken in the current financial year to include an analysis of contracted services. This additional information is considered to be useful as it provides context in terms of the nature of expenses making up contracted services.

eThekweni Municipality and its Municipal Entities

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Notes to the Annual Financial Statements

Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
37. Grants and subsidies paid				
Grant Paid: Point Precinct Trust	1,956	2,173	1,956	2,173
Grant Paid: Sporting Organisations	244,343	64,026	244,343	64,026
Grant Paid: ICC Durban (Proprietary) Limited	-	-	8,153	-
Grant Paid: Durban Marine Theme Park (State Owned Company) Limited	-	-	70,390	66,615
Grant Paid: Playhouse Company	2,000	3,000	2,000	3,000
Grant Paid: Natal Philharmonic Orchestra	7,000	6,800	7,000	6,800
Grant Paid: SEDA eThekweni	5,610	4,773	5,610	4,773
Grant Paid: Other	129,517	125,396	129,517	128,396
Grant Paid: The Loerie Awards	3,475	3,657	3,475	3,657
Grant Paid: KZN Sharks (Pty) Ltd	4,000	6,375	4,000	6,375
	397,901	216,200	476,444	285,815
38. General expenses				
Advertising	147,134	131,962	144,510	129,963
Auditors remuneration	24,607	19,768	22,610	17,879
Bank charges	9,772	9,379	7,721	7,600
Cleaning	27,989	23,682	25,671	21,938
Commission paid	76,103	80,037	75,123	79,844
Information systems - Consulting and professional fees	214,293	268,519	211,303	264,662
Delivery expenses	1,996	2,099	1,996	2,099
Civic entertainment	574	523	422	432
Hire of facilities, plant and equipment	207,370	170,160	207,370	170,160
Insurance	44,808	43,954	44,753	43,888
Conferences and seminars	40,239	23,698	40,239	23,698
IT expenses	1,428	1,521	462	926
Marketing	27,463	18,579	5,951	4,361
Management fees	222,638	199,436	222,638	199,436
Levies	1,308	1,230	-	-
Magazines, books and periodicals	14,211	12,826	14,175	12,797
Medical requisites	5,648	5,661	5,648	5,661
Fuel and oil	278,518	236,685	278,464	236,647
Postage and courier	32,586	33,300	32,586	33,272
Printing and stationery	60,251	53,798	58,917	52,240
Promotions	37,071	42,447	37,071	42,447
Protective clothing	48,030	33,110	48,030	33,110
Project maintenance costs	31,196	23,077	31,196	23,077
Secretarial fees	38,592	45,121	35,688	41,061
Subscriptions and membership fees	20,045	19,974	19,719	19,581
Telephone and fax	49,784	48,663	48,468	47,338
Transport and freight	30,163	35,026	28,710	33,248
Training	78,837	87,568	78,001	87,489
Travel - local	22,748	29,871	22,415	29,364
Travel - overseas	6,141	5,846	6,141	5,846
Title deed search fees	824	823	824	823
Refuse bags	97,526	86,590	97,526	86,590
Small plant and tools	9,630	10,074	9,630	10,074
Alien vegetation removal	16,914	17,489	16,914	17,489
Other expenses	917,660	945,393	787,189	805,344
	2,844,097	2,767,889	2,668,081	2,590,384

eThekweni Municipality and its Municipal Entities

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Notes to the Annual Financial Statements

Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
39. Cash generated from operations				
Surplus	1,965,404	2,127,104	2,057,948	2,174,900
Adjustments for:				
Depreciation: PPE	2,137,755	2,001,013	2,072,179	1,933,397
Loss (gain) on disposal of PPE	4,619	(1,693)	4,619	(1,840)
Loss on Impairment: Investment Properties	1,756	1,390	1,756	1,390
Depreciation: Investment Properties	3,193	3,840	1,241	1,432
Share of Loss (Income) from Joint Venture	-	-	2,031	(21,151)
Impairment Loss: Intangible assets	-	576	-	576
Amortisation: Intangible assets	218,890	199,148	217,516	198,118
Contribution to provisions	321,123	44,625	319,286	44,805
Impairment PPE	-	3,700	-	3,700
Debt impairment	2,076,465	2,011,349	2,079,746	2,013,798
Reversal of Impairment: PPE	(4,016)	(3,733)	(4,016)	(3,733)
Movements in retirement benefit assets and liabilities	439,984	267,710	439,984	267,710
Reversal of Loss on impairment of investment in Municipal entity	-	-	(32,052)	-
Donations received: PPE	(857)	(9,397)	(857)	(9,397)
Deferred Income	38	3,967	-	-
Changes in working capital:				
Inventories	(112,350)	(92,314)	(125,118)	(105,379)
Receivables from exchange transactions	(80,716)	510,180	(80,450)	527,335
Consumer debtors	(1,986,311)	(2,006,577)	(2,001,565)	(2,015,582)
Other receivables from non-exchange transactions	(382,371)	(321,525)	(382,371)	(321,525)
Payables from exchange transactions	197,110	297,873	209,366	295,675
VAT	(160,856)	(342,299)	(176,080)	(343,465)
Transfers payable from non exchange transactions	11,520	-	11,520	-
Unspent conditional grants and receipts	401,681	144,711	401,681	144,711
Consumer deposits	123,730	218,136	124,387	235,295
	5,175,791	5,057,784	5,140,751	5,020,770
40. UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION				
Long-term liabilities	8,161,100	8,835,985	8,161,100	8,835,985
Used to finance property, plant and equipment – at cost	(7,817,703)	(8,307,899)	(7,817,703)	(8,307,899)
	343,397	528,086	343,397	528,086

The balance of R343.4million (2016/17:R528.1million) relates to the unspent portion of the R700million loan that was taken during the 2016/17 financial year to fund the capital expenditure for the Northern and Western Aqueduct Projects. Capital expenditure of R184.7million was incurred in the current year. The spending on these projects has been delayed due to poor performance by the contractor and service delivery protests as explained in Note 52: Budget Disclosure.

The unspent balance of the loan is ring-fenced and will be spent only on capital expenditure relating to the Northern and Western Aqueduct Projects.

eThekweni Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

Notes to the Annual Financial Statements

Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
41. Commitments				
Commitments in respect of capital expenditure				
Approved and contracted for				
• Infrastructure	3,710,201	2,444,336	3,710,201	2,444,336
• Community	135,688	58,997	135,688	58,997
• Land and Buildings	172,584	244,812	172,584	244,812
• Other	944,040	816,100	935,550	800,046
	4,962,513	3,564,245	4,954,023	3,548,191
Approved but not yet contracted for				
• Infrastructure	189,655	480,957	189,655	480,957
• Land and Buildings	56,630	53,413	56,630	53,413
• Other	160,000	14,336	160,000	14,336
	406,285	548,706	406,285	548,706
Total capital commitments				
Approved and contracted for	4,962,513	3,564,245	4,954,023	3,548,191
Approved but not yet contracted for	406,285	548,706	406,285	548,706
	5,368,798	4,112,951	5,360,308	4,096,897

Included in the Other Capital Commitments figure for Housing is Housing Agency commitments amounting to R650m (2017: R711.7m).

Operating leases - as lessor (income)

Minimum lease payments due

	- 23,442	- 22,844	-	-
- within one year			-	-
- in second to fifth year inclusive	44,160	37,374	-	-
	67,602	60,218	-	-

Durban Marine Theme Park Pty(Ltd): The operating leases relate to rental contracts derived from Ushaka Village Walk. The lease agreements were entered into on various dates and will be operational for varying periods, the last expiring on 31 July 2023. For the purposes of calculating the lease commitments, options to renew the leases on expiry have been ignored except for tenants that have been in the Village Walk for more than 10 years. All contracts that are on a month to month basis have been excluded from the projected income. The rental escalation percentage varies from lease to lease, the average being approximately 6%.

Municipality: Rental income recognised from operating leases has not been accounted for on the straight-line basis over the lease terms for the following reasons:

Approximately 50% of lease income is short term ie. the lease is terminable at 1 to 3 months notice;
Approximately 45% of long term lease income is based on turnover ie. subjective and not fixed.

Lease income is recognised as it accrues. The straight-lining of lease income is considered not to provide a fair reflection of income from leases.

Durban ICC: The entity receives operating lease income for the use of the entity's premises. The period of the leases vary between 1 and 5 year terms and includes month to month leases. The annual escalation rates of the leases vary between 7% and 10%. Lease income is recognised as it accrues. The straight-lining of lease income is considered not to provide a fair reflection from leases.

Operating leases - as lessee (expenditure)

Minimum lease payments due

eThekweni Municipality and its Municipal Entities

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Notes to the Annual Financial Statements

Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
41. Commitments (continued)				
- within one year	105,879	70,878	105,879	70,878
- in second to fifth year inclusive	70,617	105,642	70,617	105,642
- later than five years	2,266	2,592	2,266	2,592
	178,762	179,112	178,762	179,112
Operating Commitments				
Minimum payments due				
- within one year	1,701,860	1,375,254	1,686,481	1,358,087
- within two to three years	327,623	1,243,928	327,623	1,243,928
- later than three years	23,180	41,477	23,180	41,477
	2,052,663	2,660,659	2,037,284	2,643,492

The prior year operating commitments figure (payable within one year) has increased by R255 thousand due to audit adjustments on ICC figures that were not previously considered on consolidation.

There are no operating commitments for External Security as the contract is on a month to month basis. The 3 year budget forecast is R705.4m, R813.4m and R870.9m respectively.

All commitments are stated exclusive of VAT.

42. Contingencies

Contracted Disputes	997,195	622,330	997,195	622,330
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Various departments within the Municipality have price disputes with certain contractors.

Self Insurance Reserve	750,125	350,365	752,558	350,365
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Various claims submitted to the Insurance department of the Municipality are under dispute. The estimated liability of such claims is disclosed.

Property Rates	12,052	2,664	12,052	2,664
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During the implementation of the Municipal Property Rates Act (MPRA), ratepayers were given the opportunity to object to the property valuations used in the computation of their property rates charge. These objections were investigated and resolved. Ratepayers that were dissatisfied with the results of the response had the right to lodge an appeal in terms of the MPRA. The appeals process has commenced. If the ratepayers are successful in their appeal, the above rates revenue recognised for the year will have to be reversed.

Bank Guarantees	70,229	65,410	70,229	65,410
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These guarantee's are issued in favour of the following:

- S.A. Post Office: R76 000 (Nedbank Bank) dated 08 May 2017;
- S.A. Post Office: R1.900m (Nedbank Bank) dated 08 May 2017;
- Compensation Commissioner: R68.253m (2017: R62 885m) - (NedBank) dated 25 February 2016;
- ICC: R450 000 (Standard Bank) dated 28 September 1999 (prior year only)
- ICC: R98 611 (Standard Bank) dated 26 November 1999 (prior year only)

Legal Claims - Various	215,249	141,795	215,249	141,795
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Various claims submitted to the legal department of the municipality are in the process of being resolved. The estimated liability of such claims, should the claimant be successful, is disclosed.

eThekwini Municipality and its Municipal Entities

Annual Financial Statements for the year ended June 30, 2018

Notes to the Annual Financial Statements

Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017

42. Contingencies (continued)

Legal disputes relate to:

- Rates dispute: R5.6m (2017: R1.5m);
- Value of compensation in respect of expropriation of various properties: R75.9m (2017: R91.5m);
- Claims for damages - various: R111.1m (2017: R48.7m);
- Legal Insurance claims: R22.6m.

Claims - Bus Operator	132,050	632,476	132,050	632,476
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Bus Operator:

- There is currently a dispute with respect to the amount owing by the bus Operator, which is R236million disclosed in Other Receivables.
- The bus Operator has submitted a claim to the municipality which amounts to R632.5 million. Meetings to resolve the dispute are still ongoing.

eThekweni Municipality and its Municipal Entities

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
43. Related parties				
Relationships				
Municipal Entities (refer to note 15)			Durban Marine Theme Park SOC Limited	
ICC Durban (Pty) Ltd			Ethekeeni Transport Authority	
Special Purpose Entity			Effingham Development Joint Venture	
Joint Ventures (refer to note 16)				
Durban Point Development Company				
Related party balances				
Loan accounts - Owning (to) / by related parties				
Durban Point Development Company			171,054	164,256
Amounts included in trade receivables regarding related parties				
Durban Marine Theme Park SOC Limited			18,679	13,655
ICC Durban (Pty) Ltd			6,243	3,154
Effingham Development Joint Venture			6,500	-
Amounts included in trade payables regarding related parties				
Durban Marine Theme Park SOC Limited			718	4,167
ICC Durban (Pty) Ltd			6,605	7,110
Durban Point Development Company			10,104	3,396
Ethekeeni Transport Authority			34,857	44,618
Consumer Deposits				
ICC Durban (Pty) Ltd			1,647	1,597
Amounts included in receivables from exchange regarding related parties				
Durban Marine Theme Park SOC Limited (Moses Mabhida - VAT)			10,997	10,997
Sales to related parties				
ICC Durban (Pty) Ltd:			-	-
Electricity			10,264	11,287
Water			1,996	1,567
Refuse			991	900
Rates			9,134	6,064
Insurance			5	39
Other			-	27
Durban Marine Theme Park SOC Limited:			-	-
Electricity			22,515	21,307
Water			9,874	8,940
Waste			947	1,088
Insurance			437	772
Rates			3,633	3,375
Durban Point Development Company:			-	-
Rates			3,399	3,337
Electricity and Water			14	15
Effingham Development Joint Venture:			-	-
Electricity and Water			1	9
Income from Joint Venture			2,862	24,767
Rates			216	303
Purchases from related parties				
ICC Durban (Pty) Ltd:			-	-
General Expenses			43,607	42,204

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
43. Related parties (continued)				
Grant-in-Aid			8,153	-
Durban Marine Theme Park SOC Limited:			-	-
General Expenses			6,942	8,344
Grant-in-Aid			70,390	66,615
EtheKwini Transport Authority:			-	-
General Expenses			2,730	3,106
Other			-	3,000

The Grant-in-Aid for Durban Marine Theme Park SOC Limited was previously disclosed only on Note 37: Grants and subsidies paid. For completeness of the related party disclosures, this Grant-in-Aid has also been included on this note.

There is an amount of R2.4million relating to an insurance claim by Durban Marine Theme Park SOC Limited. The claim has not yet been finalised and as a result a contingent liability has been disclosed in Note 42: Contingencies since the outcome of the claim is uncertain.

44. Prior year adjustments

The following adjustments all relate to corrections of prior-period misstatements and re-classifications.

Consumer Deposits

Balance previously reported	-	2,173,402	-	2,148,852
Bank and Cash: Voucher refunds re-allocation	-	(5,376)	-	(5,376)
	-	2,168,026	-	2,143,476

Long-term receivables

Balance previously reported	-	84,749	-	84,749
Provision for Bad Debts adjustment - Wiggins Housing	-	(29,740)	-	(29,740)
Durban Point Development Company - elimination of rates liability	-	(42,895)	-	-
Durban Point Development Company - elimination of rates liability impairment	-	42,895	-	-
	-	55,009	-	55,009

Transfers payable from non-exchange transactions

Balance previously reported	-	-	-	-
Re-classification from Payables from exchange transactions	-	17,760	-	17,760
	-	17,760	-	17,760

eThekwini Municipality and its Municipal Entities

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Notes to the Annual Financial Statements

Figures in Rand thousand	Group		Municipality	
	2018	2017	2018	2017
44. Prior year adjustments (continued)				
Investments				
Balance previously reported	-	750,000	-	5,750,000
Re-classification of ICC Durban (Proprietary)	-	182,097	-	-
Limited Investments from call deposits				
	-	932,097	-	5,750,000
Call Investment deposits				
Balance previously reported	-	662,543	-	480,000
Re-classification of Durban Marine Theme Park (SOC) Limited call deposits from Bank Re-classification of ICC Durban (Proprietary)	-	20,070	-	-
Limited Investments	-	182,097	-	-
	-	500,516	-	480,000
Consumer Debtors				
Balance previously reported	-	022,047	-	4,041,640
Rates adjustments	-	(31,329)	-	(31,329)
Services charges adjustments	-	(74,922)	-	(74,922)
	-	915,796	-	3,935,389
Payables from exchange transactions				
Balance previously reported	-	994,119	-	5,942,640
Reversal of internal charges	-	(3,546)	-	(3,546)
Land sales adjustment	-	(2,293)	-	(2,293)
Stale cheques written off	-	(12,117)	-	(12,117)
Liability for refund of bail monies	-	2,214	-	2,214
Property, Plant and Equipment: Capital adjustments	-	(15,891)	-	(15,892)
Receivables from exchange: DOHS adjustment	-	2,794	-	2,794
Receivables from exchange transactions:	-	5,621	-	5,621
Insurance adjustment	-	16,503	-	16,503
Accruals adjustments	-	(18,414)	-	(18,414)
Audit fee re-classification to operating account	-	(54,525)	-	(54,525)
Retention write-offs / adjustments	-	(2,150)	-	(2,150)
Reversal of duplicated expenditure	-	(17,760)	-	(17,760)
Re-classification to Transfers payables from non-exchange transactions	-	3,069	-	-
Durban Point Development Company - management fees	-	(42,895)	-	-
Durban Point Development Company - elimination of rates owed to eThekwini				
	-	854,729	-	5,843,075
Intangible assets				
Balance previously reported	-	990,617	-	987,854
Re-classifications to Property, Plant and Equipment	-	142,625	-	(142,625)
Cost adjustments / transfers	-	10,393	-	10,394
Work-in-progress adjustments / transfers	-	(8,067)	-	(8,066)
Accumulated Depreciation adjustments	-	(4,328)	-	(4,328)
	-	845,990	-	843,229

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Figures in Rand thousand	Group		Municipality	
	2018	2017	2018	2017
44. Prior year adjustments (continued)				
Provisions				
Balance previously reported	-	1,485,921	-	1,479,358
Re-classification of Alien Species provision to operating account	-	(70,187)	-	(70,187)
	-	1,415,734	-	1,409,171
Investment Property				
Balance previously reported	-	292,120	-	231,867
Reversal of Impairment	-	1,144	-	1,147
	-	293,264	-	233,014
Property, Plant and Equipment				
Balance previously reported	-	46,908,288	-	45,992,269
VAT adjustments	-	(1,272)	-	(1,272)
Cost adjustments / transfers	-	2,009,868	-	2,009,868
Work-in-progress adjustments / transfers	-	(2,128,031)	-	(2,128,031)
Accumulated Depreciation adjustments	-	(46,716)	-	(46,716)
Accumulated Impairment reversal	-	5,562	-	5,562
Re-classifications from Intangible Assets	-	142,625	-	142,625
Depreciation reversals	-	400	-	400
Transfer to expenditure - work disruptions	-	(119,167)	-	(119,167)
	-	46,771,557	-	45,855,538

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Figures in Rand thousand	Group		Municipality	
	2018	2017	2018	2017
44. Prior year adjustments (continued)				
Accumulated Surplus				
Balance previously reported	-	38,994,571	-	38,621,386
Consumer Debtors: Rates adjustments - 2016/17	-	(18,843)	-	(18,843)
Consumer Debtors: Rates adjustments - prior to 2016/17	-	(12,486)	-	(12,486)
Consumer Debtors: Service charges adjustments - 2016/17	-	(74,612)	-	(74,612)
Payables from exchange transactions: Reversal of Internal charges - 2016/17 Payables from exchange transactions: Land	-	3,547	-	3,547
Sales adjustment - 2016/17	-	2,082	-	2,082
Payables from exchange transactions: Land	-	211	-	211
Sales adjustment - prior to 2016/17 Payables from exchange transactions: Stale	-	12,117	-	12,117
cheques written off - prior to 2016/17 Payables from exchange transactions: Liability	-	(2,214)	-	(2,214)
for refund of bail monies - prior to 2016/17 Receivables from exchange transactions:	-	(12,858)	-	(12,858)
Reversal of prepayment - 2016/17	-	(31,922)	-	(31,922)
Property, Plant and Equipment: Other adjustments - 2016/17	-	(117,144)	-	(117,144)
Property, Plant and Equipment: Other adjustments - prior to 2016/17	-	35	-	35
Property, Plant and Equipment: Donations adjustment - 2016/17	-	5,562	-	5,562
Property, Plant and Equipment: Reversal of impairment - 2016/17	-	(66)	-	(66)
Property, Plant and Equipment: Disposals adjustments - prior to 2016/17	-	8,480	-	8,480
Provisions: Re-classification of Alien Species provision to operating account - 2016/17 Provisions: Re-classification of Alien Species	-	61,707	-	61,707
provision to operating account - prior to 2016/17	-	75,716	-	75,716
Investment in Joint Venture: DPDC - Reversal of Impairment - prior to 2016/17 Investment in Joint Venture: DPDC - Loss - 2016/17	-	(3,616)	-	(3,616)
Investment Property: Reversal of Impairment - 2016/17	-	1,147	-	1,147
Bank and Cash: RMS / Ledger reconciliation adjustments - prior to 2016/17	-	(4,767)	-	(4,767)
VAT receivable: Bad Debts write-off adjustment - 2016/17	-	74,803	-	74,803
Inventory: Correction of reversal - 2016/17	-	(1,628)	-	(1,628)
Receivables from exchange transactions: RMS / Ledger reconciliation adjustment - prior to 2016/17	-	(52,294)	-	(52,294)
Receivables from exchange transactions:	-	(430)	-	(430)
Maintenance costs correction - 2016/17 Receivables from exchange transactions: RMS	-	(54,335)	-	(54,335)
/ Ellipse adjustment - prior to 2016/17 Receivables from exchange transactions:	-	23,989	-	23,989
Departmental Insurance adjustment - prior to 2016/17	-	(40)	-	(40)
Receivables from exchange transactions:	-	(40)	-	(40)
Reversal of payments and interest - 2016/17	-		-	

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	2018	2017	2018	2017
44. Prior year adjustments (continued)				
Receivables from exchange transactions:	-	(911)	-	(911)
Reversal of payments and interest - prior to 2016/17				
Intangible Assets: Accumulated Depreciation adjustments - 2016/17	-	(1,530)	-	(1,530)
Intangible Assets: Accumulated Depreciation adjustments - prior to 2016/17	-	(470)	-	(470)
Property, Plant and Equipment: Maintenance adjustments - 2016/17	-	31,464	-	31,464
Property, Plant and Equipment: Maintenance adjustments - prior to 2016/17	-	147	-	147
Payables from exchange transactions: Accruals adjustments - 2016/17	-	(16,333)	-	(16,333)
Payables from exchange transactions: Audit fee re-classification - 2016/17	-	4,967	-	4,967
Payables from exchange transactions: Audit fee re-classification - prior to 2016/17	-	13,447	-	13,447
Payables from exchange transactions: Retention write-offs - prior to 2016/17	-	29,502	-	29,502
Payables from exchange transactions: Reversal of duplicated expenditure - 2016/17	-	2,150	-	2,150
Long-term receivables: Provision for Bad Debts adjustment for Wiggins - 2016/17	-	(29,740)	-	(29,740)
Property, Plant and Equipment: Depreciation reversals - 2016/17	-	364	-	364
Property, Plant and Equipment: Depreciation reversals - prior to 2016/17	-	36	-	36
Property, Plant and Equipment: Work disruptions - 2016/17	-	(13,065)	-	(13,065)
Property, Plant and Equipment: Work disruptions - prior to 2016/17	-	(106,101)	-	(106,101)
Durban Point Development Company - reversal of impairment	-	(75,175)	-	-
Durban Point Development Company - elimination of impairment - 2016/17	-	2,689	-	-
Durban Point Development Company - elimination of impairment - prior to 2016/17	-	40,206	-	-
	-	38,758,359	-	38,417,454
Inventory				
Balance previously reported	-	598,623	-	452,837
Correction of reversal	-	(1,627)	-	(1,627)
	-	596,996	-	451,210
Investment in Joint Ventures				
Balance previously reported	-	-	-	72,993
Durban Point Development Company - Reversal of Impairment	-	75,716	-	75,716
Durban Point Development Company - Share of Loss	-	(3,616)	-	(3,616)
Elimination entry on Consolidation - Reversal of Impairment	-	(75,716)	-	-
Elimination entry on Consolidation - Share of Loss	-	3,616	-	-
	-	-	-	145,093

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Figures in Rand thousand	Group		Municipality	
	2018	2017	2018	2017
44. Prior year adjustments (continued)				
Receivables from exchange transactions				
Balance previously reported	-	218,604	-	2,177,203
Reversal of prepayment	-	(12,858)	-	(12,858)
RMS / Ledger reconciliation adjustment	-	(52,294)	-	(52,294)
Maintenance costs correction	-	(430)	-	(430)
Property, Plant and Equipment: Electricity adjustments	-	17,378	-	17,378
RMS / Ellipse / Insurance adjustments	-	(54,334)	-	(54,334)
Departmental Insurance Adjustment	-	23,989	-	23,989
Payables from exchange transactions:	-	5,621	-	5,621
Insurance adjustment	-		-	
Payables from exchange transactions: DOHS adjustment	-	2,794	-	2,794
Payables from exchange transactions: DOHS retention adjustment	-	(5,496)	-	(5,496)
Reversal of payments and interest	-	(641)	-	(641)
	-	142,333	-	2,100,932
VAT receivable				
Balance previously reported	-	211,855	-	204,242
Property, Plant and Equipment: Capital adjustments	-	(1,268)	-	(1,268)
Payables from exchange transactions:	-	39	-	39
Accruals	-		-	
Bad Debts write-off adjustment	-	74,803	-	74,803
Payables from exchange transactions: Retention adjustments	-	(2,734)	-	(2,734)
	-	282,695	-	275,082
Bank and Cash				
Balance previously reported	-	184,807	-	85,458
Consumer Deposits: Voucher refunds re- allocation	-	(5,376)	-	(5,376)
RMS / Ledger reconciliation adjustments	-	(4,766)	-	(4,766)
Re-classification of Durban Marine Theme Park (SOC) Limited call deposits	-	(20,070)	-	-
	-	154,595	-	75,316

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017

44. Prior year adjustments (continued)

The reasons for the various adjustments are summarised below:

Consumer Debtors:

Rates adjustments relating to prior periods.

Water service charges reversals due to incorrect billing.

Payables from exchange transactions:

Reversal of Internal charges. Land Sales

creditor adjustments. Stale cheques

written off.

Creation of liability for refund of bail monies erroneously paid to eThekwini by Justice Department.

Capitalisation of items not accrued for in previous reporting periods.

Re-classification of transfers payable from non-exchange transactions. Audit fee

re-classification to operating account.

Retention write-offs / adjustments.

Property, Plant and Equipment:

Capitalisation of assets received in prior periods but not capitalised due to documents not being available. Depreciation

adjustments due to changes in useful lives.

Re-classification from Intangible assets.

Re-classification of VAT that was capitalised to Work in Progress.

VAT:

Bad Debts write-off adjustment relating to service charges.

VAT element of PPE items received in prior periods but not accrued for.

Receivables from exchange transactions:

Correction of reversal of prepayment incorrectly accounted for.

RMS / Ledger reconciliation adjustment relating to migration of balances. Insurance

adjustments relating to departmental claims incorrectly accounted for. DOHS adjustments

relating to retention issues.

Intangible assets:

Re-classifications to Property, Plant and Equipment and Work-in-progress adjustments.

Investment Property:

Reversal of Impairment

Inventory:

Correction of reversal relating to stores items.

Investment in Joint Venture:

Durban Point Development Company - Impairment reversal and loss adjustment.

Bank and Cash:

Consumer Deposits voucher refunds adjustment that had previously been incorrectly allocated. RMS /

Ledger reconciliation adjustments.

Consumer Deposits:

Voucher refunds allocation that had previously been incorrectly allocated.

Provisions:

Re-classification of Alien species provision to operating account.

Transfers payable from non-exchange transactions:

Re-classification of transfers payable from exchange to non-exchange.

Long-term Receivables:

Bad Debt provisions adjustment relating to Wiggins Housing projects.

Investments and Call investment deposits:

Re-classification of Ushaka and ICC call deposits and investments.

45. Additional disclosure in terms of Municipal Finance Management Act

Contributions to organised local government

Current year subscription / fee	13,500	12,550	13,500	12,550
Amount paid - current year	(13,500)	(12,550)	(13,500)	(12,550)
-	-	-	-	-

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
45. Additional disclosure in terms of Municipal Finance Management Act (continued)				
Audit fees				
Opening balance - previous year fees	2,030	1,921	1,079	1,036
Current year audit fees	24,500	19,661	22,610	17,879
Amount paid for current year	(23,459)	(17,631)	(22,451)	(16,800)
Amount paid for previous year	(2,030)	(1,921)	(1,079)	(1,036)
	1,041	2,030	159	1,079

PAYE, UIF and SDL

Current year payroll deductions	1,548,722	1,317,567	1,527,068	1,299,803
Amount paid - current year	(1,548,722)	(1,317,567)	(1,527,068)	(1,299,803)
	-	-	-	-

Pension and Medical Aid Deductions

Current year expenditure	2,233,769	2,014,840	2,209,357	2,002,002
Amount paid - current year: Defined Benefit Pension Funds	(209,271)	(211,629)	(209,271)	(211,629)
Amount paid - current year: Defined Contribution Pension Funds	(1,178,968)	(1,039,594)	(1,163,473)	(1,035,266)
Amount paid - current year: Medical Aid	(845,530)	(763,617)	(836,613)	(755,107)
	-	-	-	-

VAT

VAT received for the year	361,733	232,909	298,530	216,049
VAT paid	(106,680)	(143,309)	(65,934)	(123,642)
	255,053	89,600	232,596	92,407

VAT output payables and VAT input receivables are shown in note 6.

All VAT returns have been submitted by the due date throughout the year.

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017

45. Additional disclosure in terms of Municipal Finance Management Act (continued) Councillors'

arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days during the financial year ended June 30, 2018:

June 30, 2018			Amount outstanding (Rands)	Month
Councillor A. Mbele	-	-	229	Mar-18
Councillor A. Rampersad	-	-	68	Mar-18
Councillor B. Majola	-	-	2,967	Oct-17
Councillor B. Mngwengwe	-	-	52	Jun-18
Councillor E. Mngadi	-	-	330	May-18
Councillor M. David	-	-	92	Apr-18
Councillor M. Gwala	-	-	734	Jun-18
Councillor M. Mkhize	-	-	1,486	Dec-17
Councillor MB. Mjadu	-	-	152	Oct-17
Councillor MBR. Zuma	-	-	963	Mar-18
Councillor MH. Zwane	-	-	242	Jun-18
Councillor MM. Mthembu	-	-	822	Jun-18
Councillor N. Biyela	-	-	311	Jun-18
Councillor N. Hlomuka	-	-	14,572	Nov-17
Councillor N. Nxumalo	-	-	39,510	Apr-18
Councillor SG. Dlamini	-	-	14	Feb-18
Councillor TJT. Cibane	-	-	911	Dec-17
Councillor TM. Mthethwa	-	-	361	Feb-18
Councillor TT. Nzuza	-	-	551	Dec-17
Councillor ZD. Gushu	-	-	2	Feb-18
Councillor ZM. Mncwango	-	-	7,863	Dec-17
			72,232	

June 30, 2017			Amount outstanding (Rands)	Month
	-	-	2,763	
Councillor A. Ramkissoon				Jun-17
Councillor B. Majola	-	-	1,372	Jun-17
Councillor B. Mngwengwe	-	-	190	May-17
Councillor B. Mpanza	-	-	100	Sep-16
Councillor B. Mthimude	-	-	100	Sep-16
Councillor B. Ntshangase	-	-	822	Feb-17
Councillor BO. Zondo	-	-	2,956	Jul-16
Councillor BP. Ndlela	-	-	825	Sep-16
Councillor CN. Beata	-	-	20	Jul-16
Councillor C. Dlamini	-	-	1,403	Jun-17
Councillor E. Mngadi	-	-	2,036	Jun-17
Councillor G. Govender	-	-	292	Feb-17
Councillor GDA. Pullan	-	-	165	Sep-16
Councillor H. Khubisa	-	-	100	Sep-16
Councillor HE. Dube	-	-	3,284	Jul-16
Councillor LM. Meyer	-	-	1,317	Jun-17
Councillor LN. Mngwengwe	-	-	219	Jun-17
Councillor M. Sibiya	-	-	77	Jul-16
Councillor MJ. Ntshangase	-	-	760	Jul-16
Councillor MB. Mjadu	-	-	2,569	Sep-16
Councillor MBR. Zuma	-	-	72,446	Mar-17
Councillor M. Mthembu	-	-	72	Apr-17
Councillor MH. Khan	-	-	1,206	Sep-16

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Group	Municipality			
Figures in Rand thousand	2018	2017	2018	2017
45. Additional disclosure in terms of Municipal Finance Management Act (continued)				
Councillor MH. Zwane	-	-	5	Jun-17
Councillor M. Bhengu	-	-	118	Jul-16
Councillor MM. Ngiba	-	-	153	Sep-16
Councillor MP. Dlomo	-	-	1,412	Sep-16
Councillor MS. Mhlongo	-	-	9,481	Jun-17
Councillor N. Rampersad	-	-	2,068	Jun-17
Councillor NE. Mnguni	-	-	316	Apr-17
Councillor N. Nyanisa	-	-	1,725	Jun-17
Councillor NP. Ngwane	-	-	14,572	Jun-17
Councillor O. Ngcobo	-	-	25	Jul-16
Councillor PM. Sibiya	-	-	25	Jul-16
Councillor PN. Sikhosane	-	-	100	Sep-16
Councillor R. Gokool	-	-	1,152	May-17
Councillor S. Bhanprakash	-	-	5,343	Mar-17
Councillor S. Brijmohan	-	-	2,533	Sep-16
Councillor S. Moonsamy	-	-	3,472	Oct-16
Councillor SE. Mhlongo	-	-	2,700	May-17
Councillor SG. Dlamini	-	-	115	Nov-16
Councillor S. Gumede	-	-	4,890	Sep-16
Councillor SN. Khwela	-	-	2,994	Oct-16
Councillor S. Buthelezi	-	-	906	Apr-17
Councillor TM. Mthethwa	-	-	118	Dec-16
Councillor TT. Nzuza	-	-	15,477	Sep-16
Councillor Y. Govender	-	-	1,468	Oct-16
Councillor ZM. Mncwango	-	-	2,180	Jun-17
Councillor ZRT. Gumede(Water leak and outstanding Insurance Claim)	-	-	14,506	Sep-16
Councillor Biyela	-	-	162	Apr-17
Councillor Mkhize	-	-	291	Apr-17
Councillor Khuzwayo	-	-	2,398	Jun-17
Councillor Madiba	-	-	105	Jun-17
	-	-	185,904	

46. Comparative figures

Certain comparative figures have been restated (refer note 44 for details).

eThekweni Municipality and its Municipal Entities

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Figures in Rand thousand

47. Deviation from supply chain management regulations

Municipality: Contract awards made in terms of Section 36(1) (Regulation 36 of SCMR) of the Supply Chain Management Policy amounted to R665.8 million (2017: R767.1million).

Details of the awards are summarised in the tables below:

Durban Marine Theme Park: Contract awards made in terms of Section 36(1) (Regulation 36 of SCMR) of the Supply Chain Management Policy amounted to R1 393 456 (2017: R70 033).

ICC (Proprietary) Limited: Contract awards made in terms of Section 36(1) (Regulation 36 of SCMR) of the Supply Chain Management Policy amounted to R452 398 (2017: R1.2 million).

Group - 2018 : Categories per SCM regulations	SCM Regulation Reference	Number of cases	% of Total	Value (R000's)	% of Rand Value
In an emergency	36(1)(a)(i)	19	16.67 %	239,101	35.82 %
If such goods or services are produced or available from a single provider only	36(1)(a)(ii)	25	21.93 %	79,432	11.90 %
For the acquisition of special works of art or historical objects where specifications are difficult to compile	36(1)(a)(iii)	5	4.39 %	1,664	0.25 %
In any other exceptional case where it is impractical or impossible to follow the official procurement processes	36(1)(a)(v)	52	45.61 %	347,192	52.00 %
Minor deviation from the standard process	36(1)(b)	13	11.40 %	193	0.03 %
		114		667,582	

Group - 2017 : Categories per SCM regulations	SCM Regulation Reference	Number of cases	% of Total	Value (R000's)	% of Rand Value
In an emergency	36(1)(a)(i)	12	10.91 %	7,802	1.02 %
If such goods or services are produced or available from a single provider only	36(1)(a)(ii)	29	26.36 %	25,191	3.28 %
For the acquisition of special works of art or historical objects where specifications are difficult to compile	36(1)(a)(iii)	4	3.64 %	447	0.06 %
In any other exceptional case where it is impractical or impossible to follow the official procurement processes	36(1)(a)(v)	62	56.36 %	732,535	95.33 %
Minor deviation from the standard process	36(1)(b)	3	2.73 %	2,385	0.31 %
		110		768,360	

Municipality - 2018 : Categories per SCM regulations	SCM Regulation Reference	Number of cases	% of Total	Value (R000's)	% of Rand Value
In an emergency	36(1)(a)(i)	14	15.05 %	238,950	35.89 %
If such goods or services are produced or available from a single provider only	36(1)(a)(ii)	16	17.20 %	79,033	11.87 %
For the acquisition of special works of art or historical objects where specifications are difficult to compile	36(1)(a)(iii)	5	5.38 %	1,664	0.25 %

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47. Deviation from supply chain management regulations (continued)

In any other exceptional case where it is impractical or impossible to follow the official procurement processes	36(1)(a)(v)	45 48.39 %	345,923 51.96 %
Minor deviation from the standard process	36(1)(b)	13 13.98 %	193 0.03 %

93

665,763

Municipality - 2017 : Categories per SCM regulations	SCM Regulation Reference	Number of cases	% of Total	Value (R000's)	% of Rand Value
In an emergency	36(1)(a)(i)	4	5.56 %	7,410	0.96 %
If such goods or services are produced or available from a single provider only	36(1)(a)(ii)	8	11.11 %	24,611	3.21 %
For the acquisition of special works of art or historical objects where specifications are difficult to compile	36(1)(a)(iii)	4	5.56 %	447	0.06 %
In any other exceptional case where it is impractical or impossible to follow the official procurement processes	36(1)(a)(v)	54	75.00 %	732,291	95.46 %
Minor deviation from the standard process	36(1)(b)	2	2.77 %	2,352	0.31 %
		72		767,111	

During the year there were contracts that were awarded for more than R2 000 to persons who is a spouse, child or parent of a person in service of the Municipality. Refer to note 59 for further details.

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48. Financial Instruments

Exposure to interest rate, credit risk and liquidity risks arise in the normal course of the Municipality's operations.

Financial risk management

The Municipality has exposure to the following risks from its use of Financial Instruments:

- Liquidity risk
- Interest rate risk
- Credit risk

This note presents information about the Municipality's exposure to each of the above risks and the Municipality's objectives, policies and processes for measuring and managing risks.

Further quantitative disclosures are included throughout these financial statements.

The Accounting Officer has overall responsibility for the establishment and oversight of the Municipality's risk management framework. The Municipality's risk management policies are established to identify and analyse the risks faced by the Municipality, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes to market conditions and the Municipality's activities.

As part of managing the Municipality's liquidity risk, promissory notes have been issued to facilitate the timely repayment of the borrowings. No further terms and conditions are attached to these promissory notes other than the normal repayment terms and conditions of the loan repayment.

The Municipality, through its training and management standards and procedures, aims to develop a disciplined and constructive environment in which all employees understand their roles and obligations.

Fair values versus carrying amounts:

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet are as follows:

Carrying amount				
Investments	5,880,431	5,932,097	5,700,000	5,750,000
Long-term receivables	99,825	97,853	99,825	97,853
Consumer debtors	4,542,656	3,915,796	4,577,457	3,935,389
Receivables from exchange transactions	2,065,880	2,142,333	2,030,876	2,100,932
Receivables from non-exchange transactions	81,845	254,584	81,845	254,584
Long-term liabilities	8,161,100	8,835,985	8,161,100	8,835,985
Payables from exchange transactions	6,051,839	5,854,729	6,052,441	5,843,075
Transfers payable from non-exchange transactions	29,280	17,760	29,280	17,760
<hr/>				
Fair value				
Investments	5,880,431	5,932,097	5,700,000	5,750,000
Long-term receivables	99,825	97,853	99,825	97,853
Consumer debtors	4,542,656	3,915,796	4,577,457	3,935,389
Receivables from exchange transactions	2,065,880	2,142,333	2,030,876	2,100,932
Receivables from non-exchange transactions	81,845	254,584	81,845	254,584
Long-term liabilities	8,161,100	8,835,985	8,161,100	8,835,985
Payables from exchange transactions	6,051,839	5,854,729	6,052,441	5,843,075
Transfers payable from non-exchange transactions	29,280	17,760	29,280	17,760

eThekwini Municipality and its Municipal Entities

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48. Financial Instruments (continued)

Liquidity risk

Liquidity risk is the risk that the Municipality will encounter in raising funds to cover future commitments. The Municipality manages liquidity risk through an ongoing review of future commitments and credit facilities. Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored. The following are details of the contractual maturities of financial liabilities:

Nedbank:

EtheKwini Municipality - Primary Overdraft	20,000
EtheKwini Municipality - Letters of Credit:	1,500
EtheKwini Municipality - Performance Letters of Guarantees:	80,000
EtheKwini Municipality - Derivatives	70,000
EtheKwini Municipality - Fleet Management	15
EtheKwini Municipality - Secondary Overdraft Facility	580,000
The total of these facilities amount to	751,515

Group

At June 30, 2018	Carrying amount	Contractual cash flows	12 months or less 874,388	More than 12 months
Borrowings	8,161,100	8,161,100		7,286,712
Trade and other payables	6,081,119	6,081,119	6,081,119	-
At June 30, 2017	Carrying amount	Contractual cash flows	12 months or less 793,528	More than 12 months
Borrowings	8,835,985	8,835,985		8,042,457
Trade and other payables	5,872,489	5,872,489	5,872,489	-

Municipality

At June 30, 2018	Carrying amount	Contractual cash flows	12 months or less 874,388	More than 12 months
Borrowings	8,161,100	8,161,100		7,286,712
Trade and other payables	6,081,721	6,081,721	6,081,721	-
At June 30, 2017	Carrying amount	Contractual cash flows	12 months or less 793,528	More than 12 months
Borrowings	8,835,985	8,835,985		8,042,457
Trade and other payables	5,860,835	5,860,835	5,860,835	-

eThekweni Municipality and its Municipal Entities

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48. Financial Instruments (continued)

Group

At June 30, 2018	Less than 1 Between 1 and Between 3 and Over 5 years			
	year	3 years	5 years	
Investments				
• Short-term Investments		5,880,431	-	
• Call deposits		242,036	-	
At June 30, 2017	Less than 1 Between 1 and Between 3 and Over 5 years			
	year	3 years	5 years	
Investments				
• Short-term Investments		5,932,097	-	
• Call deposits		500,516	-	

Municipality

At June 30, 2018	Less than 1 Between 1 and Between 3 and Over 5 years			
	year	3 years	5 years	
Investments				
• Short-term Investments		5,700,000	-	
• Call deposits		200,000	-	
At June 30, 2017	Less than 1 Between 1 and Between 3 and Over 5 years			
	year	3 years	5 years	
Investments				
• Short-term Investments		5,750,000	-	
• Call deposits		480,000	-	

Market risk

Market risk is the risk that changes in market prices, such as interest rates and commodity prices will affect the eThekweni Municipality's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable risk parameters, while optimizing the eThekweni Municipality's service delivery objectives. GRAP 104 requires entities to disclose sensitivity analysis for each type of market risk as shown in the sections below. Interest rate risk is the main category of market risk which affects the Group.

Interest rate risk

The Municipality's policy is to manage interest rate risk so that fluctuations in variable rates do not have a material impact on surplus (deficit). All long-term debt is at fixed rates.

The Municipality's income and operating cash are substantially independent of changes in market rates. The Municipality has no significant interest bearing assets.

Cash flow interest rate risk Swap

Cash flow Sensitivity

Credit Quality Investments Ratings: AA+ Long Term Long Term ShortTerm Short Term

Long Term

Ratings: AA

Ratings: AA-

Ratings: A1+

Ratings: A1

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Short Term Ratings: A2

Domestic Banks	2	3	2	5	1	1
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Counterparty Class
Limits

Exposure Cash Deposits Medium / Short
term Deposits Long term
Deposits

Domestic Banks	15,375,000	200,000	5,700,000	-
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eThekweni Municipality and its Municipal Entities

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48. Financial Instruments (continued)

Valuation of Financial Instruments

Availability of observable market prices and model inputs reduces the need for management opinion and estimation. This also reduces the uncertainty associated with determination of fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions of financial markets.

The Municipality has an established control framework with respect to the measurement of fair values. This framework includes a portfolio valuation function which is independent of front office management and reports to the Risk committee which has overall responsibility of significant fair value measurements. Specific controls include: verification of observable pricing inputs and re-performance of model valuation; a review and approval process for new models and changes to such models; analysis and investigation of significant daily valuation movement and reporting of significant valuation issues to the Risk committee.

The Municipality measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in the measurements:

Level 1: Quoted prices (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs either directly (ie. as prices) or indirectly (ie. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuator techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant, unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instruments valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between instruments.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted prices or dealer price quotations.

The Municipality uses widely recognised valuation models for determining the fair value of common and more simple financial instruments, like interest swaps that use only observable market data and require little management judgement and/or estimation. Observable prices and model inputs are usually available in the market for listed debt, exchange traded derivatives and simple over the counter derivatives like interest rate swaps.

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorized:

30 June 2018: Financial Assets at Fair Value through profit or loss - Group	Level 1	Level 2	Level 3	Total
Investments	5,880,431	-	-	5,880,431
Cash on hand	31,777	-	-	31,777
Net Bank Balance	232,463	-	-	232,463
Call Investment Deposits	242,036	-	-	242,036
Long-term Receivables	-	99,825	-	99,825
Consumer Debtors	-	4,542,656	-	4,542,656
Receivables from Exchange	-	2,065,880	-	2,065,880
Receivables from Non Exchange	-	81,845	-	81,845
Long-term Liabilities	-	8,161,100	-	8,161,100
Payables from Exchange	-	6,051,839	-	6,051,839
Transfers payable from non-exchange transactions	-	29,280	-	29,280
	6,386,707	21,032,425	-	27,419,132
30 June 2017: Financial Assets at Fair Value through profit or loss - Group	Level 1	Level 2	Level 3	Total
Investments	5,932,097	-	-	5,932,097

eThekweni Municipality and its Municipal Entities

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48. Financial Instruments (continued)				
Cash on hand	18,548	-	-	18,548
Net Bank Balance	136,047	-	-	136,047
Call Investment Deposits	500,516	-	-	500,516
Long-term Receivables	-	97,853	-	97,853
Consumer Debtors	-	3,915,796	-	3,915,796
Receivables from Exchange	-	2,142,333	-	2,142,333
Receivables from Non Exchange	-	254,584	-	254,584
Long-term Liabilities	-	8,835,985	-	8,835,985
Payables from Exchange	-	5,854,729	-	5,854,729
Transfers payable from non-exchange transactions	-	17,760	-	17,760
	6,587,208	21,119,040	-	27,706,248

Group

Fixed Investments - Group

FINANCIAL INSTITUTION

	2018	2017	2018	2017
ABSA	849,874	868,322	800,000	850,000
FNB	1,350,000	1,700,000	1,350,000	1,700,000
NEDBANK	2,904,161	2,304,584	2,850,000	2,250,000
STANDARD BANK	550,000	34,630	550,000	-
INVESTEC	203,584	1,003,341	150,000	950,000
GRINDROD BANK	22,812	21,220	-	-
TOTAL	5,880,431	5,932,097	5,700,000	5,750,000

Fixed Investments - Municipality

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48. Financial Instruments (continued)

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The Municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party. Trade receivables comprise a widespread customer base. The Municipality has no control over the approval of new customers who acquire properties in the designated metro area and consequently incur rates, water and electricity debts. The Municipality limits this risk exposure in the following ways, in addition to its normal credit control and debt management procedures:

- through the application of section 118(3) of the Municipal Systems Act (MSA), which permits the Municipality to refuse connection of services whilst any amount remains outstanding from a previous debtor on the same property.
- a new owner is advised, prior to the issue of a revenue clearance certificate, that any debt remaining from the previous owner will be transferred to the new owner, if the previous owner does not settle the outstanding amount.
- through the consolidation of rates and service accounts, thereby disconnecting services for the non-payment of any of the individual debts, in terms of section 102 of the MSA.
- reviewing the Municipality's Credit Control Policy annually to ensure that it is updated for current practices that enhance revenue collection.

Long term Receivables and Other Debtors are individually evaluated annually at balance sheet date for impairment. The

maximum credit and interest risk exposure in respect of the relevant financial instrument is as follows:

Financial instrument				
Consumer Debtors	4,542,656	3,915,796	4,577,457	3,935,389
Receivables from exchange transactions	2,065,880	2,142,333	2,030,876	2,100,932
Receivables from non-exchange transactions	81,845	254,584	81,845	254,584
Cash and Cash Equivalents	6,386,707	6,587,208	6,098,226	6,305,316

The ageing of trade receivables at the reporting date was as follows:

Consumer Debtors:

Gross

0 - 30 days	2,922,482	2,461,086	2,958,358	2,480,633
31 - 120 days	937,677	729,117	936,602	729,117
More than 120 days	5,339,521	4,034,950	5,339,521	4,034,950
Less: Provision for Bad Debts	(4,657,024)	(3,309,357)	(4,657,024)	(3,309,311)
Net Consumer Debtors	4,542,656	3,915,796	4,577,457	3,935,389

Movement in the provision for Bad Debts:

Consumers

Balance at beginning of year	3,309,357	3,007,526	3,309,311	3,007,526
Contribution	1,359,451	926,029	1,359,497	925,984
Bad debts written off	(11,784)	(624,198)	(11,784)	(624,199)
Balance at year end	4,657,024	3,309,357	4,657,024	3,309,311

Movement in the provision for Bad Debts:

Other (Exchange and Non Exchange)

Balance at beginning of year	5,453,047	4,571,109	5,453,047	4,571,109
Contribution	720,249	1,087,814	720,249	1,087,814
Bad debts written off	(1,401,502)	(205,876)	(1,401,502)	(205,876)
Balance at year end	4,771,794	5,453,047	4,771,794	5,453,047

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49. Material losses

Water:

The Water Design and Non-Revenue Water (WDNRW) Branch is responsible for monitoring the Non-Revenue Water (NRW) situation at eThekweni Water and Sanitation (EWS) and reporting thereon, providing strategic direction for the Unit to reduce losses as well as implementing a number of programmes to reduce losses on a wide scale. These various initiatives and targets are as per the adopted Water Conservation Water Demand Management (WCWDM) 10 year strategic plan and these initiatives are being executed by the WDNRW, Water Operations, Customer Services and Auxiliary Services departments collectively. The key initiatives undertaken impact the reduction of NRW by either promoting the increase of the Billed Metered Consumptions or the reduction of the System input volume. The primary objective of the NRW reduction activities is to reduce the NRW levels to a targeted and sustained value of 25% by volume (420 litres/connection/day total water losses) by June 2023.

The success of the NRW programme has improved after the drought conditions have been alleviated as result of the substantial rainfall and dam levels improving to acceptable levels. There has been a significant increase in the billed metered consumption volumes which assisted in the decreasing of the NRW%.

The key results for the year to date are:

- Bulk water System Input Volume increased by 42.5 ML/day as compared to 2016/17 FY from an average of 837.9 ML/day to 880.4 ML/day in 2017/18 FY.
- Consumer sales increased by 40.8 ML/day as compared to 2016/17 FY from an average of 541.3 ML/day to 582.1 ML/day in 2017/18 FY.
- NRW by Volume has therefore improved by 2.8% from 35.5 % in 2016/17 FY to 32.7% in 2017/18 FY.

Water losses of 105,219,913 kl (2016/2017: 108,825,996kl) occurred during the FY under review, which resulted in revenue losses to the municipality. The estimated water losses amounting to R714m (2016/2017: R645.9m) were due mainly to losses as a result of ageing and deteriorating infrastructure as well as illegal connections

In line with the current WCWDM Strategic Plan, EWS is implementing a number of initiatives, the highlights of which for the period under review is as follows:

1. During the period 2321 Pressure Reducing Valves (PRVs) were maintained to ensure that it operated at its designed minimum pressure setting. There was however a delay in the installation of new PRVs as a result of the key supply contracts for control valves being delayed as a result of local content issues not resolved with the DTI.
2. The Leak Detection and Repair Strategy with a total of up to 16 Category B plumbers in formal and informal areas has proved extremely successful and a total of 10080 primarily non-visible leaks were repaired at mid June.
3. The programme for the installation of meters in the Rural Areas (ITB land) was executed with a total of 1699 out of a targeted 1900 meters been achieved.
4. In terms of the programme for meter replacement for domestic consumers a total of 499 out of a target of 1350 has been achieved. The underachievement was attributed to no stock conditions and an appeal on the meter supply contract which caused further delays.
5. The program for the replacement of Institutional, Commercial and Industrial (ICI) meters was successfully executed with a total of 480 out of the targeted 319 meters been achieved.

The adoption of the WCWDM Business plan has been instrumental in managing the task of reducing the NRW%, as a result of the joint efforts and cooperation from all branches within the Unit. There has been significant improvements made in reducing the NRW% to 32.7% for the 2017/18 FY.

eThekweni Municipality and its Municipal Entities

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Electricity:

Estimated Electricity losses of 783506 861 kWh (2017: 844488 772 kWh) occurred during the year under review which resulted in revenue losses to the Municipality. These estimated kWh losses amounted to R590m (2017: R632m). The national norm for electricity losses ranges from 5% to 12%. The loss incurred by the Municipality is 7.1% (2017: 7.58%) and is due to a combination of transmission/distribution losses and losses due to illegal connections.

Note: The kWh sales for Residential Business customers has been based on daily averages (RDA) as opposed to the actual meter reading per cycle. This adjustment was implemented to mitigate carrying over sales figures from the previous year, as there has been a migration to a new billing system in June 2016 and the meter reading upload cycles were affected.

Bad Debts written off:

Debt of R1 413m (2017: R830m) was written off during the year. The write-off is in respect of irrecoverable debts which relate to rates, services, housing and sundry debts. The Municipality took steps to write-off this debt which is considered irrecoverable so that efforts can be focused on debt that can still be recovered.

Included in the bad debts written off figure is an amount of R 1 400m relating to traffic fines following a directive issued by the National Prosecuting Authority to write off traffic fines in respect of summons not served within eighteen months from the date of the offence and withdrawal of warrants not executed within two years from date of issue.

eThekwini Municipality and its Municipal Entities

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Figures in Rand thousand

50. Unauthorised, irregular, fruitless and wasteful expenditure disallowed

Cases reported during the 2017/18 year are included below:	2018	2017	2018	2017
Irregular expenditure arising through finalised investigations	159,401	32,666	159,401	32,666
Non-compliance with S.C.M. - various: This expenditure is deemed to be irregular due to Public Tender Process not being adhered to, 3 quotations not being obtained and adverts not being adequately advertised.	146,921	21,584	146,921	21,584
Non-compliance with MFMA - Section 116(3)	301,735	38,623	301,735	38,623
Non-compliance with MFMA - Section 116(1)	-	5,315	-	5,315
Non-compliance with MFMA - Section 116(2)	-	2,614	-	2,614
Non-compliance with MFMA - Section 15(b)	-	78	-	78
Non-compliance with MFMA - Section 112	6,976	5,444	6,976	5,444
Non-compliance with MFMA - Section 110	8,888	148	8,888	148
Non-compliance with MFMA - Section 36	96,499	-	96,499	-
Awards made to entities whose directors / members / principal shareholders / stakeholders were in the service of eThekwini Municipality Awards made to entities whose directors / members / principal shareholders / stakeholders were close family members of persons in the service of eThekwini Municipality	1,895	1,801	1,895	1,801
Awards made entities whose directors / members / principal shareholders / stakeholders were in the service of other State institutions	6,507	2,528	6,507	2,528
Non-compliance with S.C.M - Supplier declarations not received	3,741	2,620	3,741	2,620
Non-compliance with S.C.M - Splitting of orders	-	11,273	-	11,273
Non-compliance with S.C.M - No valid tax clearance certificate submitted	-	3,464	-	3,464
	-	385,568	-	385,568
Fruitless and Wasteful expenditure - Municipality	29,496	-	29,496	-
Durban Marine Theme Park SOC Limited: Non-compliance with SCM - various	11,898	1,166	-	-
Durban Marine Theme Park SOC Limited: Fruitless and Wasteful Expenditure	32	-	-	-
ICC Durban (Pty) Ltd: Fruitless and Wasteful Expenditure	4	-	-	-

Investigations are still in progress regarding 758 cases. 377 cases were completed during the 2017/2018 financial year.

An amount of R37million disclosed in the irregular expenditure arising through finalised cases is recommended for recovery. The outcome of this will be finalised through the appropriate human resource processes.

Irregular expenditure reconciliation	2018	2017	2018	2017
Opening balance	601,997	215,198	600,722	154,874
Irregular expenditure current year	585,060	485,556	573,162	484,390
Prior year irregular expenditure arising through finalised investigations / non-compliance	159,401	29,336	159,401	29,336
Amount written off as irrecoverable	(50,001)	(128,093)	(50,001)	(67,878)

Irregular expenditure awaiting condonement	1,296,457	601,997	1,283,284	600,722
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A number of interventions have been introduced to improve monitoring controls in SupplyChain Management and the bid

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process prior to the awarding of contracts to service providers.

eThekweni Municipality and its Municipal Entities

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50. Unauthorised, irregular, fruitless and wasteful expenditure disallowed (continued)

The amounts above are inclusive of VAT.

Fruitless and Wasteful expenditure reconciliation	2018	2017	2018	2017	
Municipality: Fruitless and Wasteful expenditure current year (interest and penalties)	29,496		-	29,496	-
Durban Marine Theme Park SOC Limited: Fruitless and Wasteful Expenditure	32		-	-	-
ICC Durban (Pty) Ltd: Fruitless and Wasteful Expenditure	4		-	-	-
	29,532		-	29,496	-

The fruitless and wasteful expenditure for eThekweni Municipality relates mainly to interest from an out-of-court settlement due to a contractual dispute with a supplier engaged by the roads provision department.

eThekweni Municipality and its Municipal Entities

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51. Bank balances

Account number - Bank - Account Balance	Cash Book	Bank Statement balance	Cash Book Balance	Bank Statement balance
Description	June 30, 2018	June 30, 2018	June 30, 2017	June 30, 2017
1107821231 Nedbank -Main Expenditure	9,284	(660,134)	118,358	(730,386)
1107821010 -Nedbank - Main Expenditure EFT	(513)	(1,418,648)	(4,633)	(2,276,559)
1107821061 - Nedbank - Direct Deposit Account	12,266	44,813	13,049	245,788
1107821126 - Nedbank - Electronic Deposit Account	101,491	164,932	70,943	1,195,782
1107821134 - Nedbank - Cashiers Deposit Account				
1107821002 -Nedbank - Government Deposit Account	(14,150)	270,166	(99,719)	8,317
1107821398 - Nedbank - Electricity Income Account	7,791	51,241	4,893	105,152
1107821401 -Nedbank - Electricity Prepaid Vendor Deposits	(1,006)	10,154	583	5,516
	3,513	133,432	96,030	202,006
1107821304 - Nedbank - SARS E-Filing Account	124,662	191,503	421	10,573
1107821282 - Nedbank - Dishonoured Cheques Account	(36)	(170)	(176)	(176)
1107821088 - Nedbank - Direct Debit Collections Account	(387)	(6,628)	69,902	77,136
1107821096 - Nedbank - Transwitch Deposit Account	-	53,982	-	52,619
1107821118 - Nedbank - Agents Deposit Account	14,091	25,910	10,483	118,049
1107821169 - Nedbank - Metro Police Deposit Account	-	4,196	-	5,128
1107821150 - Nedbank - Metro Police Transwitch Deposit Account	-	230	-	2,791
1107821177 - Nedbank - Parks, Recreation and Culture Deposit Acc.	(3)	3,163	11	3,819
1107821185 - Nedbank - City Engineers Account	6,351	8,768	15,533	16,802
1107821193 - Nedbank - Durban Tourism Deposit Account	-	60	-	78
1107821347 - Nedbank - Central Foreign Rand Account	-	(9,949)	-	(5,556)
1107821207 - Nedbank - Virginia Airport Account	-	257	-	245
1107821215 - Nedbank - Department of Housing Account	-	205	-	6,991
1107821290 - Nedbank - Wages Sundry PAYE Account	177	177	310	309
1107821312 - Nedbank - Cash Payments Account	174	(1,357)	-	(2,554)
1107821266 - Nedbank - Refunds Expenditure Account	-	94	26	5,862
1107821029 - Nedbank - Salaries Account	503	(629,721)	434	(485,255)
1107821371 - Nedbank - Durban Fresh Produce Market Account	29,390	29,361	23,767	23,742
1107821339 - Nedbank - CIFAL Durban Account	-	-	-	2
1107821320 - Nedbank - General Bank Account	(115,948)	1,870,843	(267,017)	1,261,811
1107821487 - Nedbank - E- Ticketing Account	(258)	2,405	(457)	2,374
1107821274 - Nedbank - Bank Charges Account	626	(998)	314	(641)
1107821223 - Nedbank - Moses Mabihda Stadium Deposit Account	-	746	-	7,725
1107821460 - Nedbank - Pay at Deposit Account	(14,391)	13,656	(7,698)	197,426
1107821444 - Nedbank - Consolidated Investment Fund				

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1107821452 Nedbank - Consolidated Investment Fund (EFT)	(236,098)	(236,098)	158	158
	236,269	236,269	-	(1)

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51. Bank balances (continued)

1107821479 - Nedbank - Syntell Deposit Account	-	41	4	81
1107821509 - Nedbank - Reforestation Project Account	3,755	12,108	10,253	25,515
1107821517 - Nedbank - Moses Mabhida Expenditure Account	-	-	1,546	(12,872)
1107821525 - Nedbank - Bremen - Durban Ocean Project	-	2,256	-	-
Totals: ETHEKWINI MUNICIPALITY				
Bank balances	550,343	3,130,968	437,018	3,581,797
	(382,790)	(2,963,703)	(379,700)	(3,514,000)

The following accounts had nil balances at year end:

1107821053 - Nedbank - Durban Fresh Produce Market EFT; 1107821495 - Nedbank - Auctions Account; 1107821533 - Nedbank - ETK Tertiary Student Relief Account; 050073117 - Standard Bank - Main Expenditure Bank.

During the year management took a decision to disclose bank balances on a net basis based on the set-off agreement with Nedbank. The intention of the agreement is to set-off favourable and unfavourable bank balances and as a result interest is calculated on a net basis. Comparative figures have been adjusted (refer to note 10).

The Municipality operates on a Cash Management set-off agreement with Nedbank. This means that although the individual expenditure accounts would run in overdraft on a daily basis (due to ongoing payments to suppliers, employees, refunds etc.), the overall cash flow position is based on the daily net balance of all the bank accounts. This profile with the bank is called "notional pooling" which enables the bank to aggregate the daily balances of all the bank accounts (which is always favourable). Due to extremely high volumes of transactions processed through the various bank accounts, it is necessary to operate multiple bank accounts which allows for ease of reconciliations. Bank accounts are reconciled daily with all funds for the month being swept just after month end into the main eThekweni bank account. This process of sweeping is controlled via the bank reconciliation process via online bank transfers.

Durban Marine Theme Park (State Owned Company) Limited:

1100443362451/453 - Investec Bank	-	-	7,795	7,795
1107821045 - Nedbank	23	23	6	6
1108788564 - Nedbank	47	47	6	6
1107821606 - Nedbank	23	23	24	24
1107821592 - Nedbank	35	35	30	30
1108788556 - Nedbank	1	1	3	3
1107821584 - Nedbank	4,156	4,156	765	765
ICC Durban (Proprietary) Limited:	37,652	37,652	28,904	28,827
1107821541 - Nedbank	-	-	-	-
1107821568 - Nedbank	-	-	1	1
1107821576 - Nedbank	2,921	2,921	1,728	1,758
Bank Balances (Effingham Development Joint Venture)	19,647	-	39,252	-
Bank Balances (Durban Point Development Company)	405	-	215	-

Totals: MUNICIPAL ENTITIES

Bank balances	64,910	44,858	78,729	39,215
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eThekwini Municipality and its Municipal Entities

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51. Bank balances (continued)

Totals: GROUP				
Bank balances	615,253	3,175,826	515,747	3,621,012
Bank overdraft	(382,790)	(2,963,703)	(379,700)	(3,514,000)

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52. Budget disclosure

Differences between budget and actual amounts basis of preparation and presentation

Variances above 20% are considered material. The following are reasons provided for material variances:

Debt Impairment - There has been a decline in the average collection rate in the current year compared to the same period in the previous year. This is caused by the inability of many consumers to pay their bills due to the prevailing unfavorable economic conditions. There has also been an increase in traffic infringements where as there is poor collection rate thus resulting in a higher contribution to the provision required.

Total Capital Expenditure - Spending in the current year was slower than anticipated due to delays in the awarding of the contract for the northern Aqueduct. The funding received is planned to be spent in the next three years on the Northern and Western Aqueduct projects. Other contracts have also been delayed due to poor performance by contractors, procurement and legal challenges / delays on four road projects, appeals processes on some projects and work stoppages due to the strikes and business forums challenges.

Internally generated funds - There has been less spending of internally generated funds because of reduced total expenditure for reasons mentioned above as well as the use of loan funding for Northern and Western Aqueduct projects. There was a balance of R528m of loan that was not utilised in the prior year that had to be used on these projects due to the conditions of the loan.

Cash flow: The following material expenditure items resulted in the erosion of cash reserves during the year:

Legal Settlements of approximately R160 million, which relates to road rehabilitation. Higher Security costs of R80 million due to rates being above the market. Excessive expenditure on EPWP costs. Excessive overtime at Metro Police. Payments to Durban Transport (Tansat) in excess of the subsidy.

Budget policy is aligned with GRAP in terms of disclosure.

Operational grants for the year were R3.1 billion and capital grants were R2.6 billion

A comparison of the budget and actual information has been disclosed in the Appropriation Statement and not in columnar format as required due to the classification as per budget regulations as prescribed by National Treasury differing to the GRAP disclosure requirements.

An adjustments budget is the mechanism to amend an approved budget under certain conditions and is legislated in terms of Section 28 of the MFMA of 2003 and the Municipal Budgeting and Reporting Regulations. The main reasons for the adjustments to the budget are as follows:

- reallocation of budgets between votes to ensure operational efficiencies;
- adjustments in respect of grant funding to the Municipality;
- re-prioritisation of capital projects for various reasons.

53. Events after the reporting date

External Borrowings:

In terms of Council resolution taken on 26 April 2018 authority was granted for an amount of R1 billion to be borrowed from Nedbank in order to finance future capital expenditure. The actual proceeds of the loan were received in July 2018.

Condonement of Irregular Expenditure:

In terms of Council resolution taken on 30 August 2018 authority was granted for the condonement of irregular expenditure totalling R627.9 million.

54. Material reclassification on Repairs and Maintenance

During the current financial year management took a decision to amend the disclosure for repairs and maintenance. The costs of repairing and maintaining assets are now disclosed on the capital notes, rather than as a separate line item on the statement of financial performance, which is in line with the requirements of GRAP.

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54. Material reclassification on Repairs and Maintenance (continued)

Management has always disclosed the cost of repairs and maintenance on the face of the statement of financial performance since these costs were considered to be relevant and useful to the users in terms of knowing how much is spent to repair and maintain assets so as to prevent disruptions in service delivery due to insufficient funds set aside for such repairs and maintenance. Management also took into account the requirements of National Treasury's MFMA Circular 71 on Uniform Financial Ratios and Norms, which requires a calculation of the ratio of repairs and maintenance to the carrying value of capital assets.

However, due to current developments and debates regarding the appropriateness of disclosing repairs and maintenance on the face of the statement of financial performance, management has taken the decision to componentize the costs of repairs and maintenance based on the nature of the cost incurred (materials issued, contracted services, labour, etc.). This follows further research taken by management on the appropriateness of disclosing contracted services as expenditure by nature since this disclosure alone didn't provide the users with more information in terms of what the contracted service related to.

As a result, management resolved to further provide an analysis of contracted services to address this concern and componentize the costs of repairs and maintenance by the nature of the expense.

This is considered to be a reclassification and not an error since the basis of disclosing the cost of repairs and maintenance was justified and based on best practice (refer to note 36 for an analysis of contracted services).

Repairs and Maintenance

Repairs and maintenance previously reported in 2016/17	-	2,502,097	-	2,487,235
Reclassification to:	-	-	-	-
- Contracted services	-	(2,084,755)	-	(2,084,755)
- General expenses - other	-	(327,848)	-	(312,986)
- General expenses - fuel and oil	-	(331)	-	(331)
- General expenses - IT expenses	-	(160)	-	(160)
- General expenses - consulting and professional fees	-	(89,003)	-	(89,003)
	-	-	-	-

55. Taxation

Current tax for the year recognised in surplus or deficit - ICC	(435)	(3,216)	-	-
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No provision has been made for the taxation of Durban Marine Theme Park SOC Limited as they have an assessed loss of R369.5million (2017: R364.7million) which is available for set-off against future taxable income. No deferred tax asset has been raised.

eThekweni Municipality and its Municipal Entities Financial Statements for
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NOTE 56: EXTERNAL LOANS FOR THE YEAR ENDED 30 JUNE 2018

DESCRIPTION	%	LOAN No.	DATE REPAYABLE	BALANCE AT 30-Jun-17 R 000's	RECEIVED DURING THE PERIOD R 000's	REDEEMED DURING THE PERIOD R 000's	BALANCE AT 30-Jun-18 R 000's
INCA/IVUZI 15 Years	9.52%1/66		6/30/2020	161,889.57		(49,031.71)	112,858
Nedbank R900m 15 Years	8.47%1/67		3/31/2021	360,851.21		(79,274.55)	281,577
DBSA Ph 1 20 Years	13.50%P1		3/31/2019	53,710.76		(49,906.15)	3,805
DBSA Ph 3 15 Years	12.90%P3		3/31/2018	60,420.20		(60,419.79)	0
DBSA Ph 4 15 Years	10.40%P4		6/30/2019	132,714.69		(25,376.92)	107,338
DBSA Ph 5 15 Years	8.90%P5		9/30/2020	110,491.29		(28,202.50)	82,289
DBSA Ph 6 15 Years	8.75%P6		6/30/2022	385,409.78		(16,045.74)	369,364
DBSA Ph 7 20 Years	8.30%P7		6/30/2028	2,138,919.64		24,881.24	2,163,801
DBSA Ph 8 15 Years	9.85%P8		6/30/2029	1,344,959.60		(62,627.86)	1,282,332
DBSA - IIPSA 50%	11.31%IIPSA		12/31/2031	338,333.33		(23,235.73)	315,098
RMB R 1b 15 Years	10.28% 1/72		6/30/2025	709,394.86		(60,864.01)	648,531
ABSA 7 Years	8.73%1/73		9/29/2017	94,939.06		(94,938.80)	0
ABSA 15 Years	10.19% 1/74		6/30/2026	763,226.64		(55,193.39)	708,033
AFD Calyon 12 Years	9.52%1/68		12/31/2018	9,790.00		(6,525.81)	3,264
RMB R1B 20 Years	9.53%1/75		6/30/2032	891,238.10		(28,639.19)	862,599
NEDBANK R1bn 15 YEARS	10.58% 1/76		6/30/2030	938,217.60		(35,933.66)	902,284
AFD - IIPSA 50%	11.31%IIPSA		11/30/2031	341,478.44		(23,550.24)	317,928
Total Annuity Loans				8,835,985	0	-674,885	8,161,100
TOTAL EXTERNAL LOANS				8,835,985	0	-674,885	8,161,100

NOTE 57 (a): ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT - GROUP

Details	Cost / Revaluation							Accumulated							
	Opening Balance	Opening Under Construction	Additions	Under Construction	Disposals	Transfers	Closing Balance	Opening Balance	Additions	Disposals	Impairments	Impairments Reversal	Transfers	Closing Balance	Carrying Value
	R'000	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000	R'000	R'000	R'000	R'000	R'000
Biological assets	36	–	–	–	–	–	36	(3	(1	–	–	–	–	(4	32
Computer Equipment	971,766	5,124	72,581	949	(6,307	992	1,045,105	(763,525	(87,724	5,892	–	–	(577	(845,934	199,171
Furniture & Office Equipment	368,330	–	22,849	–	(2,608	(604	387,966	(266,217	(40,364	2,512	–	(13	405	(303,677	84,289
Infrastructure Community	7,763,822	358,071	131,535	87,744	(496	25,150	8,365,825	(2,118,971	(251,765	429	–	554	(6,291	(2,376,045	5,989,780
Infrastructure Coastal	2,493	16,395	17,011	56,934	–	–	92,833	608,020	(665	–	–	–	–	607,351	700,183
Infrastructure Electricity	7,464,298	955,155	124,570	658,323	(22,299	–	9,180,046	(2,902,069	(249,549	14,655	–	–	–	(3,136,962	6,043,085
Infrastructure Info & Communic	142,432	(5,340	18,247	25,410	–	1,581	182,330	(78,513	(13,974	–	–	–	(1,297	(93,784	88,547
Infrastructure Other Assets	5,914,999	649,492	67,061	173,722	(6	11,651	6,816,919	(1,776,013	(174,958	3	–	3,475	(4,696	(1,952,189	4,864,730
Infrastructure Roads	12,438,077	3,488,229	1,434,104	(381,862	–	(0	16,978,548	(4,185,763	(472,942	–	–	–	–	(4,658,705	12,319,844
Infrastructure Sanitation	7,294,648	1,533,288	22,925	457,840	–	–	9,308,701	(987,954	(229,263	–	–	–	–	(1,217,217	8,091,484
Infrastructure Storm Water	1,720,144	57,335	225,887	84,357	–	23,135	2,110,859	(1,017,339	(54,124	–	–	–	(5,468	(1,076,931	1,033,927
Infrastructure Solid Waste	279,825	19,954	156,811	10,293	–	–	466,883	(108,339	(11,081	–	–	–	–	(119,420	347,463
Infrastructure Water Supply	5,557,635	2,101,676	111,879	377,491	–	(23,526	8,125,154	(968,302	(117,178	–	–	–	384	(1,085,096	7,040,058
Land - Electricity	131,572	677,695	–	74	–	–	809,341	–	–	–	–	–	–	–	809,341
Library Material	170,040	–	23,386	–	–	–	193,426	(133,958	(14,470	–	–	–	–	(148,428	44,999
Machinery & Equipment	1,913,569	45,815	127,856	82,346	(3,453	590	2,166,723	(1,301,876	(157,822	2,930	–	–	(424	(1,457,192	709,531
Non Biological Animals	556	–	–	–	–	–	556	(531	(24	–	–	–	–	(555	1
Transport Assets	3,031,470	14,057	303,904	10,607	(84	(136	3,359,819	(2,309,748	(261,846	–	–	–	9	(2,571,585	788,234
Total	55,165,712	9,916,945	2,860,604	1,644,229	(35,253	38,832	69,591,071	(18,311,099	(2,137,754	26,421	(13	4,029	(17,956	(20,436,373	49,154,698

Figures in Rand thousand

Note 57 (b): ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2018 - MUNICIPALITY

Details	Cost / Revaluation							Accumulated							
	Opening Balance	Opening Under Construction	Additions	Under Construction	Disposals	Transfers	Closing Balance	Opening Balance	Additions	Disposals	Impairments	Impairments Reversal	Transfers	Closing Balance	Carrying Value
	R'000	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000	R'000	R'000	R'000	R'000	R'000
Computer Equipment	962,214	5,124	72,581	949	(6,307)	992	1,035,553	(757,838)	(85,991)	5,892	—	—	(577)	(838,515)	197,038
Furniture & Office Equipment	307,906	—	19,116	—	(2,608)	(604)	323,809	(227,187)	(27,530)	2,512	(13)	—	405	(251,813)	71,996
Infrastructure Community	7,763,169	358,071	131,535	88,397	(496)	25,150	8,365,825	(2,118,971)	(251,765)	429	—	554	(6,291)	(2,376,045)	5,989,780
Infrastructure Coastal	2,493	16,395	17,011	56,934	—	—	92,833	608,020	(669)	—	—	—	—	607,351	700,183
Infrastructure Electricity	7,464,298	955,155	124,570	658,323	(22,299)	—	9,180,046	(2,902,069)	(249,549)	14,655	—	—	—	(3,136,962)	6,043,085
Infrastructure Info & Communic	142,432	(5,340)	18,247	25,410	—	1,581	182,330	(78,513)	(13,974)	—	—	—	(1,297)	(93,784)	88,547
Infrastructure Other Assets	4,554,982	649,492	56,566	173,722	(6)	11,651	5,446,407	(1,254,847)	(132,075)	3	—	3,476	(4,696)	(1,388,139)	4,058,268
Infrastructure Roads	12,438,075	3,488,229	1,434,105	(381,862)	—	(0)	16,978,547	(4,185,763)	(472,942)	—	—	—	—	(4,658,705)	12,319,843
Infrastructure Sanitation	7,294,648	1,533,288	22,925	457,840	—	—	9,308,701	(987,954)	(229,263)	—	—	—	—	(1,217,217)	8,091,484
Infrastructure Storm Water	1,720,144	57,335	225,887	84,357	—	23,135	2,110,859	(1,017,339)	(54,124)	—	—	—	(5,468)	(1,076,931)	1,033,927
Infrastructure Solid Waste	279,825	19,954	156,811	10,293	—	—	466,883	(108,339)	(11,081)	—	—	—	—	(119,420)	347,463
Infrastructure Water Supply	5,557,635	2,101,676	111,879	377,491	—	(23,526)	8,125,154	(968,302)	(117,178)	—	—	—	384	(1,085,096)	7,040,058
Land - Electricity	131,572	677,695	—	74	—	—	809,341	—	—	—	—	—	—	—	809,341
Library Material	170,040	—	23,386	—	—	—	193,426	(133,958)	(14,470)	—	—	—	—	(148,428)	44,999
Machinery & Equipment	1,735,076	45,815	117,154	82,346	(3,453)	455	1,977,393	(1,173,118)	(150,362)	2,930	—	—	(424)	(1,320,974)	656,419
Non Biological Animals	556	—	—	—	—	—	556	(531)	(24)	—	—	—	—	(555)	1
Transport Assets	3,028,876	14,057	303,732	10,607	—	(0)	3,357,272	(2,308,641)	(261,182)	—	—	—	9	(2,569,815)	787,458
Total	53,553,941	9,916,945	2,835,504	1,644,882	(35,169)	38,832	67,954,936	(17,615,349)	(2,072,179)	26,421	(13)	4,030	(17,956)	(19,675,046)	48,279,890

NOTE 58 (a): ANALYSIS OF INTANGIBLE ASSETS - GROUP

	Cost							Accumulated Depreciation							Carrying Value
	Opening Balance	Opening Balance	Additions	Under Construction	Disposals	Transfers	Closing Balance	Opening Balance	Additions	Disposals	Impairments	Transfers	Closing Balance		
	Cost	Capital Under Construction													
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
RMS	698,66		0	-1		0	698,64	149,95	128,85	0	0		278,80	419,84	
Servitudes	57,13	1,63	13	2,53		0	61,31			0	0			61,31	
Computer Software	619,39	98,16	149,47	43,06	-	-1,79	908,28	479,04	90,03	-7	0	-1,34	567,72	340,56	
Total	1,375,194	99,793	149,490	45,583	(7)	(1,799)	1,668,254	628,997	218,890	(7)	-	(1,349)	846,531	821,723	

Note 58 (b): ANALYSIS OF INTANGIBLE ASSETS AS AT 30 JUNE 2018 - MUNICIPALITY

	Cost							Accumulated Depreciation					Carrying Value
	Opening Balance	Opening Balance	Additions	Under Construction	Disposals	Transfers	Closing Balance	Opening Balance	Additions	Disposals	Transfers	Closing Balance	
	Cost	Capital Under Construction											
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
RMS	698,663	0	0	-16	0	0	698,647	-149,952	-128,855	0	0	-278,807	419,840
Servitudes	57,134	1,633	13	2,538	0	0	61,318	0	0	0	0	0	61,318
Computer Software	613,019	98,161	149,256	42,956	-7	-1,799	901,586	-475,430	-88,661	7	1,349	-562,735	338,851
Total	1,368,816	99,795	149,268	45,478	(7)	(1,799)	1,661,551	(625,382)	(217,516)	7	1,349	(841,542)	820,009

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Note 59: Awards to close family members of person in service of municipalityThe details of total awards (17) to close family members amounting to R6 507 000.00 that transacted with the municipality are as follows:

NO	SUPPLIER	SPOUSE NAME	EMPLOYEE	R'000
1	SIBUZE GROUP(PTY) LTD	NOKUTHULA REVIVAL	SBUSISO ZONDI	330
2	VELEMU CONTRACTORS CC	DUMISANI SAMSON	VERONICA NTANZI	53
3	SIBAZI TRADING CC	SIYANDA DAWN INNOCENT	NOKWAZI NYIDE	15
4	USAPHO'LUHLE TRADING ENTERPRIS	WINNIE DUMILE	NKOSINATHI ZONDI	178
5	BAYEZA CLEANING AND MULTI PURPOSE CO -	NOMBUSO PEACEFUL	ENOCK HLOPHE	296
6	ISIQUBULO PRIMARY CO-OPERATIVE LIMITED	NOZIPHO ANNACETTA	XOLANI NGCOBO	70
7	IZIMANGALISO BUSINESS SOLUTIONS (PTY)LTD	NOKULUNGA	ROBERT MKHIZE	50
8	MAHEQENE CONTRACTING AND SERVICES	VERONICA ZANDILE	DUMISANI DLADLA	170
9	NYANDAYOMKHONTO TRADING ENTERPRISE	GUGU ANGELINE	ZITHA MCHUNU	209
10	OPIFLASH PTY LTD	LINDIWE VIRGINIA	MDUDUZI MASIKANE	158
11	SQUNGESIHLE SERVICES	NCENGANI TERESSA	MUSAWENKOSI CELE	113
12	MVIFELO TRADING CC	NOMBULELO MBALI	SIBUSISO BUTHELEZI	3,118
13	VENI YENI MULTIPURPOSE PRIMARY CO -	NOSIPHO CHARITY	NKULULEKOMOSIA	303
14	ATTITUDE GURU	ABBEY REAGAN	THANDEKA MEYIWA	83
15	AUTO SPORTS PANELBEATERS	MEGANATHAN	JAGATHAMBAL NAIDOO	380
16	BIG FUZE PLUMBING (PTY) LTD	KHULEKANI LUCAS	SANELISIWE NGCOBO	111
17	NGEDE TRADING	JOSEPH MBHEKENI	THABILE MAKHANYA	223
			<u>TOTAL</u>	
				6,507

APPENDIX A (i)(a): SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT - GROUP

	COST								Accumulated Depreciation							Carrying Value
	Restated Opening Balance cost	Restated Opening WIP	Additions	Under Construction	Disposals	Impairments	Transfers	Closing Balance	Opening Balance	Additions	Disposals	Impairments	Impairments Reversal	Transfers	Closing Balance	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000	R'000	R'000	R'000	R'000	R'000
Vote 1 - Office of the City Manager	624,796	74,849	49,513	89,982	(483)	—	1,485	840,142	(464,593)	(58,506)	390	—	—	67	(522,643)	317,499
OCM-City Manager's Office	528	—	—	—	—	—	(12)	515	(226)	(35)	—	—	—	9	(252)	264
OCM-Internal Audit & Risk Mgmt	5,335	—	52	—	—	—	1,093	6,480	(2,029)	(659)	—	—	—	(820)	(3,507)	2,973
OCM-Information Management	617,190	74,849	47,740	89,982	(467)	—	(188)	829,106	(461,366)	(57,388)	376	—	—	1,103	(517,275)	311,831
OCM-City Integrity & Investiga	1,743	—	1,722	—	(16)	—	592	4,041	(973)	(425)	14	—	—	(225)	(1,609)	2,431
Vote 2 - City Manager's Operations	174,178	2,766	3,074	455	(165)	—	247	180,555	(73,120)	(8,318)	148	(0)	—	(106)	(81,397)	99,158
CMO-Metropolitan Police	99,167	2,680	840	455	(7)	—	43	103,178	(43,800)	(4,811)	7	—	—	(35)	(48,640)	54,539
CMO-Legal Services	10,482	—	84	—	(8)	—	(318)	10,240	(3,510)	(371)	8	(0)	—	291	(3,583)	6,657
CMO-Area Based Management	62,759	—	177	—	(150)	—	522	63,308	(24,838)	(2,860)	133	—	—	(362)	(27,926)	35,382
CMO-Performance Monitor & Eval	1,769	86	1,973	—	(0)	—	0	3,828	(972)	(276)	0	—	—	(0)	(1,248)	2,580
Vote 3 - Finance	2,347,708	663,058	214,167	38,986	(3,374)	—	(39,922)	3,220,624	(1,655,328)	(165,370)	3,211	—	—	9,653	(1,807,834)	1,412,790
FIN-Deputy City Manager	1,012	—	112	—	(49)	—	(218)	857	(697)	(75)	49	—	—	122	(602)	255
FIN-Expenditure	20,283	—	570	—	(567)	—	941	21,226	(14,032)	(973)	553	—	—	(503)	(14,955)	6,271
FIN-Income	199,433	514,015	1,142	25	(879)	—	(6,511)	707,225	(158,476)	(9,403)	816	—	—	2,327	(164,736)	542,489
FIN-Finance & Major Projects	826	—	25	—	(48)	—	59	862	(678)	(94)	48	—	—	(12)	(736)	126
FIN-Internal Control & Bus Sys	198,940	4,955	9,176	(1,416)	(1,343)	—	99	210,412	(79,977)	(8,163)	1,295	—	—	(71)	(86,917)	123,495
FIN-Real Estate	94,732	338	484	136	(180)	—	80	95,590	(30,473)	(3,362)	175	—	—	(70)	(33,730)	61,860
FIN-City Fleet	1,033,493	127,595	201,850	48,159	(6)	—	4,902	1,415,995	(778,379)	(73,852)	6	—	—	(543)	(852,768)	563,227
FIN-Durban Energy Office	39,584	11,583	—	(10,808)	—	—	(39,581)	777	(6,684)	—	—	—	—	8,568	1,884	2,661
FIN-Bus Operations	720,045	450	34	—	—	—	(3)	720,526	(560,486)	(66,661)	—	—	—	3	(627,144)	93,382
FIN-Miscellaneous	28,454	—	—	—	—	—	—	28,454	(19,711)	(1,671)	—	—	—	—	(21,382)	7,072
FIN-Supply Chain Management	10,906	4,123	773	2,891	(302)	—	310	18,701	(5,736)	(1,115)	270	—	—	(168)	(6,749)	11,952
Vote 4 - Office of the Strategic Management	4,724	3	32	—	(11)	—	351	5,099	(2,563)	(305)	11	—	—	(320)	(3,178)	1,921
OSM-City Research & Policy Adv	4,724	—	30	—	(11)	—	(1)	4,742	(2,563)	(271)	11	—	—	0	(2,822)	1,920
OSM-Chief Strategy Officer	—	—	2	—	—	—	352	354	—	(35)	—	—	—	(321)	(356)	(2)
OSM-Sustainable City Initiati	—	3	—	—	—	—	—	3	—	—	—	—	—	—	—	3
Vote 5 - Governance	365,417	32,732	8,438	14,357	(2,639)	—	2,146	420,449	(142,679)	(16,363)	2,469	—	—	(1,133)	(157,706)	262,743
GOV-Deputy City Manager	122	—	—	—	—	—	(121)	1	(59)	(0)	—	—	—	75	16	17
GOV-City Hall Admin & Secretar	211,923	26,362	3,328	14,266	(2,392)	—	1,175	254,663	(84,763)	(10,688)	2,256	—	—	(735)	(93,931)	160,732
GOV-Communications	3,718	25	655	—	(138)	—	(18)	4,242	(2,358)	(466)	121	—	—	17	(2,687)	1,555
GOV-Sizakala Centres	135,963	3	1,746	36	(47)	—	1,111	138,812	(49,320)	(3,781)	38	—	—	(493)	(53,555)	85,256
GOV-Comm Partic & Action Supp	12,205	6,342	2,126	55	(43)	—	(18)	20,667	(5,170)	(1,244)	42	—	—	4	(6,369)	14,298
GOV-Intl & Governance Relation	716	—	60	—	(3)	—	16	789	(599)	(58)	3	—	—	(1)	(655)	134
GOV-Mayoral Parlour	770	—	523	—	(17)	—	—	1,276	(409)	(125)	9	—	—	—	(524)	751
Vote 6 - Corporate and Human Resources	31,857	10,331	4,723	3,402	(26)	—	972	51,260	(19,937)	(3,204)	25	—	—	(69)	(23,184)	28,076
CHR-Deputy City Manager	825	—	23	—	—	—	2	850	(431)	(79)	—	—	—	(2)	(512)	338
CHR-Human Resources	22,212	9,199	3,415	3,246	(19)	—	969	39,022	(14,281)	(2,025)	19	—	—	(67)	(16,354)	22,668
CHR-Occupation Health & Safety	3,159	470	350	(461)	—	—	5	3,523	(1,487)	(457)	—	—	—	(4)	(1,948)	1,575
CHR-Mgmt Services & Org. Devel	2,184	119	271	8	—	—	(3)	2,579	(971)	(300)	—	—	—	3	(1,268)	1,312
CHR-Skills Development	3,477	543	664	609	(7)	—	—	5,286	(2,768)	(342)	7	—	—	—	(3,102)	2,184
Sub-total (carried forward)	3,548,679	783,739	279,946	147,182	(6,698)	—	(34,719)	4,718,129	(2,358,221)	(252,067)	6,254	(0)	—	8,091	(2,595,942)	2,122,187

eThekweni Municipality and its Entities

Financial Statements for the year ended 30 June
2018

Notes to the Financial Statements

APPENDIX A (i)(b): SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT - GROUP (cont.)

	COST								Accumulated Depreciation							Carrying Value
	Restated Opening Balance cost	Restated Opening WIP	Additions	Under Construction	Disposals	Impairments	Transfers	Closing Balance	Opening Balance	Additions	Disposals	Impairments	Impairments Reversal	Transfers	Closing Balance	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000	R'000	R'000	R'000	R'000	R'000
Sub-total (brought forward)	3,548,679	783,739	279,946	147,182	(6,698)	–	(34,719)	4,718,129	(2,358,221)	(252,067)	6,254	(0)	–	8,091	(2,595,942)	2,122,187
Vote 7 - Economic Development & Planning	1,781,449	379,945	84,613	198,205	(651)	–	39,635	2,483,196	(454,527)	(69,605)	620	–	–	(8,645)	(532,157)	1,951,039
EDP-Deputy City Manager	217	–	6,002	–	–	–	(19)	6,199	(83)	(33)	–	–	–	15	(102)	6,097
EDP-Economic Dev & Facilitatio	801,177	315,895	13,049	119,985	(420)	–	(219)	1,249,466	(147,997)	(26,021)	394	–	–	156	(173,468)	1,075,999
EDP-City Enterprises	4,937	–	–	–	–	–	–	4,937	(4,917)	(7)	–	–	–	–	(4,924)	13
EDP-Business Support	158,725	6,296	19,790	4,271	–	–	310	189,391	(62,609)	(5,906)	–	–	–	(283)	(68,798)	120,593
EDP-Retail Markets	74,312	–	245	–	–	–	–	74,557	(34,762)	(2,181)	–	–	–	–	(36,943)	37,614
EDP-Markets	139,566	2,736	1,866	1,201	(48)	–	–	145,320	(43,300)	(4,760)	48	–	–	–	(48,011)	97,310
EDP-Airport	3,078	–	168	–	–	–	–	3,246	(1,075)	(133)	–	–	–	–	(1,208)	2,038
EDP-Develop Planning & Mgmt	98,257	13,338	11,850	15,397	(78)	–	39,609	178,374	(10,659)	(3,809)	77	–	–	(8,573)	(22,964)	155,409
EDP-Urban Renewal	497,950	41,658	31,592	57,374	–	–	(44)	628,530	(146,489)	(26,480)	–	–	–	40	(172,929)	455,601
EDP-Tourism	3,230	22	52	(22)	(105)	–	(2)	3,174	(2,635)	(274)	100	–	–	0	(2,809)	365
Vote 8 - Community and Emergency Services	6,716,097	166,316	135,795	62,885	(1,201)	–	20,060	7,099,951	(2,163,724)	(250,375)	1,100	(13)	4,029	(10,998)	(2,419,981)	4,679,970
CES-Deputy City Manager	10,775	113	122	–	(2)	–	(28)	10,981	(7,075)	(808)	1	–	–	26	(7,856)	3,125
CES-Emergency Services	385,036	14,616	23,140	436	–	–	1,164	424,392	(167,865)	(16,047)	–	–	–	(401)	(183,937)	240,455
CES-Disaster Mgmt & Emerg Cont	203,974	6,070	1,152	9,357	(466)	–	(6)	220,082	(124,600)	(19,734)	388	–	–	(9)	(143,955)	76,127
CES-Security Management	24,570	–	326	–	–	–	(4)	24,892	(2,235)	(1,003)	–	–	–	4	(3,234)	21,657
CES-Safer Cities	2,047	–	71	–	–	–	(21)	2,098	(1,609)	(191)	–	–	–	20	(1,780)	319
CES-Health	272,920	6,399	10,053	2,396	(324)	–	92	291,536	(97,416)	(10,102)	317	–	3,652	(63)	(103,612)	187,924
CES-Parks, Recr, Cem & Culture	2,453,603	139,116	93,567	50,696	(126)	–	17,282	2,754,138	(911,604)	(88,580)	117	(13)	–	(9,277)	(1,009,357)	1,744,782
CES-MMS & Stadia	3,363,171	–	7,364	–	(284)	–	1,581	3,371,833	(851,320)	(113,910)	277	–	–	(1,297)	(966,250)	2,405,583
Vote 9 - Human Settlements and Infrastructure	16,713,941	3,914,209	1,752,758	(250,266)	(1,589)	–	18,297	22,147,351	(4,522,122)	(611,571)	1,488	–	–	(6,763)	(5,138,968)	17,008,383
HSI-Deputy City Manager	1,284	–	229	–	–	–	(86)	1,427	(558)	(195)	–	–	–	(5)	(758)	668
HSI-Metro Housing & Hostels	1,252,043	507,346	2,424	365,034	(164)	–	(7)	2,126,676	(425,430)	(43,010)	156	–	–	3	(468,282)	1,658,394
HSI-Formal Housing	128,560	2,627	519	2,338	(568)	–	–	133,476	(65,571)	(1,482)	500	–	–	–	(66,553)	66,924
HSI-Engineering	13,123,861	1,312,110	544,822	240,206	(857)	–	11,465	15,231,605	(3,643,476)	(469,018)	832	–	–	(4,520)	(4,116,182)	11,115,423
HSI-ETK Transport Authority	2,208,194	2,092,126	1,204,764	(857,843)	–	–	6,926	4,654,166	(387,086)	(97,866)	–	–	–	(2,240)	(487,192)	4,166,974
Vote 10 - Trading Services	24,793,777	4,672,736	582,390	1,486,876	(25,030)	–	(4,441)	31,506,309	(8,116,757)	(888,558)	16,958	–	–	359	(8,987,998)	22,518,311
TRC-Deputy City Manager	116	–	119	–	–	–	333	569	(4)	(76)	–	–	–	(178)	(258)	311
TRC-Electricity	8,358,351	1,084,063	161,757	692,119	(22,423)	–	101	10,273,969	(3,380,136)	(315,647)	14,778	–	–	–	(3,681,005)	6,592,964
TRC-Water	9,231,561	2,140,628	148,017	373,122	(46)	–	(4,896)	11,888,387	(1,944,157)	(248,846)	38	–	–	544	(2,192,422)	9,695,965
TRC-Sanitation	5,589,230	1,424,806	22,631	405,530	(2,555)	–	18	7,439,660	(1,683,046)	(234,209)	2,139	–	–	(4)	(1,915,120)	5,524,540
TRC-Cleansing and Solid Waste	1,482,348	22,704	249,866	14,076	(6)	–	3	1,768,990	(1,076,516)	(88,304)	4	–	–	(3)	(1,164,819)	604,171
TRC-Gas to Electricity	132,171	535	–	2,028	–	–	–	134,734	(32,898)	(1,477)	–	–	–	–	(34,375)	100,359
ICC	950,002	–	13,762	–	–	–	–	963,763	(371,402)	(36,824)	–	–	–	–	(408,226)	555,538
USHAKA	661,768	–	11,339	(653)	(84)	–	–	672,370	(324,348)	(28,753)	–	–	–	–	(353,101)	319,270
Total	55,165,711	9,916,945	2,860,604	1,644,229	(35,253)	–	38,832	69,591,069	(18,311,099)	(2,137,753)	26,421	(13)	4,029	(17,956)	(20,436,372)	49,154,698

APPENDIX A (ii)(a): SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT - MUNICIPALITY

	COST							Accumulated Depreciation								Carrying Value
	Restated Opening Balance cost	Restated Opening WIP	Additions	Under Construction	Disposals	Impairments	Transfers	Closing Balance	Opening Balance	Additions	Disposals	Impairments	Impairments Reversal	Transfers	Closing Balance	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000	R'000	R'000	R'000	R'000	R'000
Vote 1 - Office of the City Manager	624,796	74,849	49,513	89,982	(483)	—	1,485	840,142	(464,593)	(58,506)	390	—	—	67	(522,643)	317,499
OCM-City Manager's Office	528	—	—	—	—	—	(12)	515	(226)	(35)	—	—	—	9	(252)	264
OCM-Internal Audit & Risk Mgmt	5,335	—	52	—	—	—	1,093	6,480	(2,029)	(659)	—	—	—	(820)	(3,507)	2,973
OCM-Information Management	617,190	74,849	47,740	89,982	(467)	—	(188)	829,106	(461,366)	(57,388)	376	—	—	1,103	(517,275)	311,831
OCM-City Integrity & Investiga	1,743	—	1,722	—	(16)	—	592	4,041	(973)	(425)	14	—	—	(225)	(1,609)	2,431
Vote 2 - City Manager's Operations	174,178	2,766	3,074	455	(165)	—	247	180,555	(73,120)	(8,318)	148	(0)	—	(106)	(81,397)	99,158
CMO-Metropolitan Police	99,167	2,680	840	455	(7)	—	43	103,178	(43,800)	(4,811)	7	—	—	(35)	(48,640)	54,539
CMO-Legal Services	10,482	—	84	—	(8)	—	(318)	10,240	(3,510)	(371)	8	(0)	—	291	(3,583)	6,657
CMO-Area Based Management	62,759	—	177	—	(150)	—	522	63,308	(24,838)	(2,860)	133	—	—	(362)	(27,926)	35,382
CMO-Performance Monitor & Eval	1,769	86	1,973	—	(0)	—	0	3,828	(972)	(276)	0	—	—	(0)	(1,248)	2,580
Vote 3 - Finance	2,347,708	663,058	214,167	38,986	(3,374)	—	(39,922)	3,220,624	(1,655,328)	(165,370)	3,211	—	—	9,653	(1,807,834)	1,412,790
FIN-Deputy City Manager	1,012	—	112	—	(49)	—	(218)	857	(697)	(75)	49	—	—	122	(602)	255
FIN-Expenditure	20,283	—	570	—	(567)	—	941	21,226	(14,032)	(973)	553	—	—	(503)	(14,955)	6,271
FIN-Income	199,433	514,015	1,142	25	(879)	—	(6,511)	707,225	(158,476)	(9,403)	816	—	—	2,327	(164,736)	542,489
FIN-Finance & Major Projects	826	—	25	—	(48)	—	59	862	(678)	(94)	48	—	—	(12)	(736)	126
FIN-Internal Control & Bus Sys	198,940	4,955	9,176	(1,416)	(1,343)	—	99	210,412	(79,977)	(8,163)	1,295	—	—	(71)	(86,917)	123,495
FIN-Real Estate	94,732	338	484	136	(180)	—	80	95,590	(30,473)	(3,362)	175	—	—	(70)	(33,730)	61,860
FIN-City Fleet	1,033,493	127,595	201,850	48,159	(6)	—	4,902	1,415,995	(778,379)	(73,852)	6	—	—	(543)	(852,768)	563,227
FIN-Durban Energy Office	39,584	11,583	—	(10,808)	—	—	(39,581)	777	(6,684)	—	—	—	—	8,568	1,884	2,661
FIN-Bus Operations	720,045	450	34	—	—	—	(3)	720,526	(560,486)	(66,661)	—	—	—	3	(627,144)	93,382
FIN-Miscellaneous	28,454	—	—	—	—	—	—	28,454	(19,711)	(1,671)	—	—	—	—	(21,382)	7,072
FIN-Supply Chain Management	10,906	4,123	773	2,891	(302)	—	310	18,701	(5,736)	(1,115)	270	—	—	(168)	(6,749)	11,952
Vote 4 - Office of the Strategic Management	4,724	3	32	—	(11)	—	351	5,099	(2,563)	(305)	11	—	—	(320)	(3,178)	1,921
OSM-City Research & Policy Adv	4,724	—	30	—	(11)	—	(1)	4,742	(2,563)	(271)	11	—	—	0	(2,822)	1,920
OSM-Chief Strategy Officer	—	—	2	—	—	—	352	354	—	(35)	—	—	—	(321)	(356)	(2)
OSM-Sustainable City Initiati	—	3	—	—	—	—	—	3	—	—	—	—	—	—	—	3
Vote 5 - Governance	365,417	32,732	8,438	14,357	(2,639)	—	2,146	420,449	(142,679)	(16,363)	2,469	—	—	(1,133)	(157,706)	262,743
GOV-Deputy City Manager	122	—	—	—	—	—	(121)	1	(59)	(0)	—	—	—	75	16	17
GOV-City Hall Admin & Secretar	211,923	26,362	3,328	14,266	(2,392)	—	1,175	254,663	(84,763)	(10,688)	2,256	—	—	(735)	(93,931)	160,732
GOV-Communications	3,718	25	655	—	(138)	—	(18)	4,242	(2,358)	(466)	121	—	—	17	(2,687)	1,555
GOV-Sizakala Centres	135,963	3	1,746	36	(47)	—	1,111	138,812	(49,320)	(3,781)	38	—	—	(493)	(53,555)	85,256
GOV-Comm Partic & Action Supp	12,205	6,342	2,126	55	(43)	—	(18)	20,667	(5,170)	(1,244)	42	—	—	4	(6,369)	14,298
GOV-Int'l & Governance Relation	716	—	60	—	(3)	—	16	789	(599)	(58)	3	—	—	(1)	(655)	134
GOV-Mayoral Parlour	770	—	523	—	(17)	—	—	1,276	(409)	(125)	9	—	—	—	(524)	751
Vote 6 - Corporate and Human Resources	31,857	10,331	4,723	3,402	(26)	—	972	51,260	(19,937)	(3,204)	25	—	—	(69)	(23,184)	28,076
CHR-Deputy City Manager	825	—	23	—	—	—	2	850	(431)	(79)	—	—	—	(2)	(512)	338
CHR-Human Resources	22,212	9,199	3,415	3,246	(19)	—	969	39,022	(14,281)	(2,025)	19	—	—	(67)	(16,354)	22,668
CHR-Occupation Health & Safety	3,159	470	350	(461)	—	—	5	3,523	(1,487)	(457)	—	—	—	(4)	(1,948)	1,575
CHR-Mgmt Services & Org. Devel	2,184	119	271	8	—	—	(3)	2,579	(971)	(300)	—	—	—	3	(1,268)	1,312
CHR-Skills Development	3,477	543	664	609	(7)	—	—	5,286	(2,768)	(342)	7	—	—	—	(3,102)	2,184
Sub-total (carried forward)	3,548,679	783,739	279,946	147,182	(6,698)	—	(34,719)	4,718,129	(2,358,221)	(252,067)	6,254	(0)	—	8,091	(2,595,942)	2,122,187

APPENDIX A(ii)(b): SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT - MUNICIPALITY (cont.)

	COST								Accumulated Depreciation								Carrying Value
	Restated Opening Balance cost	Restated Opening WIP	Additions	Under Construction	Disposals	Impairments	Transfers	Closing Balance	Opening Balance	Additions	Disposals	Impairments	Impairments Reversal	Transfers	Closing Balance		
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000	R'000	R'000	R'000	R'000		
Sub-total (brought forward)	3,548,679	783,739	279,946	147,182	(6,698)	—	(34,719)	4,718,129	(2,358,221)	(252,067)	6,254	(0)	—	8,091	(2,595,942)	2,122,187	
Vote 7 - Economic Development & Planning	1,781,449	379,945	84,613	198,205	(651)	—	39,635	2,483,196	(454,527)	(69,605)	620	—	—	(8,645)	(532,157)	1,951,039	
EDP-Deputy City Manager	217	—	6,002	—	—	—	(19)	6,199	(83)	(33)	—	—	—	15	(102)	6,097	
EDP-Economic Dev & Facilitatio	801,177	315,895	13,049	119,985	(420)	—	(219)	1,249,466	(147,997)	(26,021)	394	—	—	156	(173,468)	1,075,999	
EDP-City Enterprises	4,937	—	—	—	—	—	—	4,937	(4,917)	(7)	—	—	—	—	(4,924)	—	
EDP-Business Support	158,725	6,296	19,790	4,271	—	—	310	189,391	(62,609)	(5,906)	—	—	—	(283)	(68,798)	120,593	
EDP-Retail Markets	74,312	—	245	—	—	—	—	74,557	(34,762)	(2,181)	—	—	—	—	(36,943)	37,614	
EDP-Markets	139,566	2,736	1,866	1,201	(48)	—	—	145,320	(43,300)	(4,760)	48	—	—	—	(48,011)	97,310	
EDP-Airport	3,078	—	168	—	—	—	—	3,246	(1,075)	(133)	—	—	—	—	(1,208)	2,038	
EDP-Develop Planning & Mgmt	98,257	13,338	11,850	15,397	(78)	—	39,609	178,374	(10,659)	(3,809)	77	—	—	(8,573)	(22,964)	155,409	
EDP-Urban Renewal	497,950	41,658	31,592	57,374	—	—	(44)	628,530	(146,489)	(26,480)	—	—	—	40	(172,929)	455,601	
EDP-Tourism	3,230	22	52	(22)	(105)	—	(2)	3,174	(2,635)	(274)	100	—	—	0	(2,809)	365	
Vote 8 - Community and Emergency Services	6,716,097	166,316	135,795	62,885	(1,201)	—	20,060	7,099,951	(2,163,725)	(250,375)	1,100	(13)	4,030	(10,998)	(2,419,981)	4,679,970	
CES-Deputy City Manager	10,775	113	122	—	(2)	—	(28)	10,981	(7,075)	(808)	1	—	—	26	(7,856)	3,125	
CES-Emergency Services	385,036	14,616	23,140	436	—	—	1,164	424,392	(167,865)	(16,047)	—	—	376	(401)	(183,937)	240,455	
CES-Disaster Mgmt & Emerg Cont	203,974	6,070	1,152	9,357	(466)	—	(6)	220,082	(124,600)	(19,734)	388	—	—	(9)	(143,955)	76,127	
CES-Security Management	24,570	—	326	—	—	—	(4)	24,892	(2,235)	(1,003)	—	—	—	4	(3,234)	21,657	
CES-Safer Cities	2,047	—	71	—	—	—	(21)	2,098	(1,609)	(191)	—	—	—	20	(1,780)	319	
CES-Health	272,920	6,399	10,053	2,396	(324)	—	92	291,536	(97,417)	(10,102)	317	—	3,653	(63)	(103,612)	187,924	
CES-Parks, Recr, Cem & Culture	2,453,603	139,116	93,567	50,696	(126)	—	17,282	2,754,138	(911,604)	(88,580)	117	(13)	—	(9,277)	(1,009,357)	1,744,782	
CES-MMS & Stadia	3,363,171	—	7,364	—	(284)	—	1,581	3,371,833	(851,320)	(113,910)	277	—	—	(1,297)	(966,250)	2,405,583	
Vote 9 - Human Settlements and Infrastructure	16,713,940	3,914,209	1,752,759	(250,266)	(1,589)	—	18,297	22,147,351	(4,522,122)	(611,571)	1,488	—	—	(6,763)	(5,138,968)	17,008,383	
HSI-Deputy City Manager	1,284	—	229	—	—	—	(86)	1,427	(558)	(195)	—	—	—	(5)	(758)	668	
HSI-Metro Housing & Hostels	1,252,043	507,346	2,424	365,034	(164)	—	(7)	2,126,676	(425,430)	(43,010)	156	—	—	3	(468,282)	1,658,394	
HSI-Formal Housing	128,560	2,627	519	2,338	(568)	—	—	133,476	(65,571)	(1,482)	500	—	—	—	(66,553)	66,924	
HSI-Engineering	13,123,861	1,312,110	544,822	240,206	(857)	—	11,465	15,231,605	(3,643,476)	(469,018)	832	—	—	(4,520)	(4,116,182)	11,115,423	
HSI-ETK Transport Authority	2,208,193	2,092,126	1,204,765	(857,843)	—	—	6,926	4,654,166	(387,086)	(97,866)	—	—	—	(2,240)	(487,192)	4,166,974	
Vote 10 - Trading Services	24,793,777	4,672,736	582,390	1,486,876	(25,030)	—	(4,441)	31,506,309	(8,116,754)	(888,561)	16,958	—	—	359	(8,987,998)	22,518,311	
TRC-Deputy City Manager	116	1,084,063	119	692,119	(22,423)	—	333	569	(4)	(76)	14,778	—	—	(178)	(258)	—	
TRC-Electricity	8,358,351	—	161,757	—	—	—	101	10,273,969	(3,380,133)	(315,650)	—	—	—	—	(3,681,005)	6,592,964	
TRC-Water	9,231,561	2,140,628	148,017	373,122	(46)	—	(4,896)	11,888,387	(1,944,157)	(248,846)	38	—	—	544	(2,192,422)	9,695,965	
TRC-Sanitation	5,589,230	1,424,806	22,631	405,530	(2,555)	—	18	7,439,660	(1,683,046)	(234,209)	2,139	—	—	(4)	(1,915,120)	5,524,540	
TRC-Cleansing and Solid Waste	1,482,348	22,704	249,866	14,076	(6)	—	3	1,768,990	(1,076,516)	(88,304)	4	—	—	(3)	(1,164,819)	604,171	
TRC-Gas to Electricity	132,171	535	—	2,028	—	—	—	134,734	(32,898)	(1,477)	—	—	—	—	(34,375)	100,359	
Total	53,553,941	9,916,945	2,835,504	1,644,882	(35,169)	—	38,832	67,954,936	(17,615,348)	(2,072,179)	26,421	(13)	4,030	(17,956)	(19,675,046)	48,279,890	

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APPENDIX B: ETHEKWINI MUNICIPALITY : SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2018 - GROUP

30-Jun-17 Actual Income	30-Jun-17 Actual Expenditure	30-Jun-17 Surplus/ (Deficit)		30-Jun-18 Actual Income	30-Jun-18 Actual Expenditure	30-Jun-18 Surplus/ (Deficit)
<u>R'000</u>	<u>R'000</u>	<u>R'000</u>		<u>R'000</u>	<u>R'000</u>	<u>R'000</u>
9,441	(550,515)	(541,074)	Executive & Council	35,499	(872,191)	(836,692)
13,275,904	(5,147,124)	8,128,780	Finance & Admin	15,138,632	(5,708,211)	9,430,421
251,136	(891,060)	(639,924)	Planning & Development	226,733	(738,387)	(511,654)
115,160	(480,341)	(365,181)	Health	247,174	(533,789)	(286,615)
79,371	(614,962)	(535,592)	Community & Social Services	100,697	(671,295)	(570,598)
810,418	(1,390,133)	(579,715)	Housing	726,883	(1,144,712)	(417,828)
450,871	(2,314,804)	(1,863,932)	Public Safety	509,099	(2,824,199)	(2,315,100)
100,553	(1,384,673)	(1,284,119)	Sport & Recreation	111,662	(1,538,254)	(1,426,593)
18,367	(240,642)	(222,275)	Environmental Protection	5,311	(225,859)	(220,548)
3,307,397	(3,263,594)	43,803	Waste Management	3,626,508	(3,491,971)	134,537
1,847,617	(2,809,934)	(962,317)	Road Transport	1,727,327	(2,965,069)	(1,237,742)
4,997,260	(5,493,485)	(496,225)	Water	5,831,385	(7,009,298)	(1,177,913)
13,583,207	(12,002,041)	1,581,166	Electricity	14,153,608	(12,455,115)	1,698,493
112,344	(218,479)	(106,135)	Other	35,230	(191,489)	(156,259)
261,437	(279,445)	(18,008)	Durban Marine Theme Park (Pty) Ltd	205,072	(276,709)	(71,637)
150,484	(177,326)	(26,842)	ICC Durban (Pty) Ltd	134,583	(192,118)	(57,535)
3,877	(10,783)	(6,906)	Ethekwini Transport Authority	972	(13,467)	(12,495)
34,916	(9,835)	25,081	Effingham / Link Road Joint Venture	5,742	(2,663)	3,079
1,114	(1,378)	(264)	Durban Point Development Company	1,658	(3,139)	(1,481)
39,410,875	(37,280,555)	2,130,320	Sub Total	42,823,775	(40,857,936)	1,965,839
(6,015,596)	6,015,596	0	Less Inter-Dep charges	(7,123,926)	7,123,926	0
	(3,216)		Taxation		(435)	
33,395,279	(31,268,175)	2,127,104	Total	35,699,849	(33,734,445)	1,965,404

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APPENDIX B(ii): SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 June 2018 - MUNICIPALITY

30-Jun-17 Actual Income <u>R'000</u>	30-Jun-17 Actual Expenditure <u>R'000</u>	30-Jun-17 Surplus/ (Deficit) <u>R'000</u>		30-Jun-18 Actual Income <u>R'000</u>	30-Jun-18 Actual Expenditure <u>R'000</u>	30-Jun-18 Surplus/ (Deficit) <u>R'000</u>
9,441	(550,515)	(541,074)	Executive & Council	80,745	(1,004,013)	(923,268)
13,354,267	(5,274,110)	8,080,157	Finance & Admin	15,059,642	(5,680,849)	9,378,792
251,136	(891,060)	(639,924)	Planning & Development	226,733	(738,387)	(511,654)
115,160	(480,341)	(365,181)	Health	247,174	(533,789)	(286,615)
79,371	(614,962)	(535,592)	Community & Social Services	100,697	(671,295)	(570,598)
810,418	(1,390,133)	(579,715)	Housing	726,883	(1,144,712)	(417,828)
450,871	(2,314,804)	(1,863,932)	Public Safety	509,099	(2,824,199)	(2,315,100)
100,553	(1,384,673)	(1,284,119)	Sport & Recreation	111,662	(1,538,254)	(1,426,593)
18,367	(240,642)	(222,275)	Environmental Protection	7,249	(225,859)	(218,610)
3,309,385	(3,263,594)	45,791	Waste Management	3,626,508	(3,491,971)	134,537
1,847,617	(2,809,934)	(962,317)	Road Transport	1,739,197	(2,965,069)	(1,225,872)
5,007,767	(5,493,485)	(485,718)	Water	5,864,179	(7,009,298)	(1,145,119)
13,615,825	(12,002,041)	1,613,784	Electricity	14,153,608	(12,455,115)	1,698,493
112,344	(218,479)	(106,135)	Other	114,677	(225,262)	(110,585)
39,082,523	(36,928,774)	2,153,749	Sub Total	42,568,053	(40,508,073)	2,059,979
Share of Income (Loss) from Joint						
21,151		21,151	Venture		(2,031)	(2,031)
(6,015,596)	6,015,596	0	Less Inter-Department charges	(7,123,926)	7,123,926	0
33,088,078	(30,913,178)	2,174,900	Total	35,444,127	(33,386,179)	2,057,948

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APPENDIX C: DISCLOSURE OF GRANTS AND SUBSIDIES FOR THE YEAR ENDED 30 JUNE 2018 IN TERMS OF SECTION 123 MFMA 56 OF 2003.

DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 MFMA 56 OF 2003

GRANT DESCRIPTION	NAME OF ORGAN OF STATE	QUARTERLY RECEIPTS					QUARTERLY PAYMENTS					GRANTS AND SUBSIDIES DELAYED/WITHHELD / PAID BACK / ACCRUED				REASONS FOR DELAYS OF FUNDS	MUNICIPALITY COMPLY WITH THE GRANT CONDITIONS IN TERMS OF THE GRANT	REASON FOR NON COMPLIANCE
		SEPT	DEC	MAR	JUN	TOTAL	SEP	DEC	MAR	JUN	TOTAL	Sep	Dec	Mar	Jun		Yes/No	
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000			
EQUITABLE SHARE	NATIONAL TREASURY	1,076,152	860,92	645,69	-	2,582,77	1,076,15	860,92	645,69	-	2,582,77						Yes	N/A
URBAN SETTLEMENT DEVELOPMENT GRANT	HUMAN SETTLEMENTS	495,02	693,03	792,04	-	1,980,10	220,26	302,21	294,38	1,163,24	1,980,10						Yes	N/A
FINANCIAL MANAGEMENT GRANT	NATIONAL TREASURY	1,05	-	-	-	1,05	1,05	-	-	-	1,05						Yes	N/A
INTEGRATED CITIES DEVELOPMENT	NATIONAL TREASURY	19,556	19,55	-	-	39,11	10,55	13,31	7,49	7,71	39,11						Yes	N/A
INFRASTRUCTURE SKILLS DEVELOPMENT GRANT	NATIONAL TREASURY	14,00	-	16,29	-	30,29	1,72	1,37	1,95	1,20	6,25	8,000	5,32		10,40	TRF Umngeni & Paid Back	Yes	N/A
NRF - SAASTA	NATIONAL RESEARCH FOUNDATION	-	4,86	-	-4,65	21	-	-	-	-	-						Yes	N/A
GOVERNMENT HEALTH SUBSIDY	KZN DEPT OF HEALTH	-	139,75	47,817	-	187,56	-	139,75	47,817	45,71	233,27				45,71	Accrued receipt	Yes	N/A
PTCG	NATIONAL DEPARTMENT OF TRANSPORT	229,28	229,28	458,57	-	917,15	130,34	195,62	128,41	156,19	610,56						Yes	N/A
NEIGHBOUR HOOD DEVELOPMENT GRANT	NATIONAL TREASURY	14,062	17,03	19,57	-	50,67	1,22	6,75	4,33	9,45	21,82		10 697 & 28 154			Withheld & Paid Back	Yes	N/A
EXPANDED PUBLIC WORKS PROGRAMME - EPWP	DEPARTMENT OF PUBLIC WORKS	16,698	30,05	20,03	-	66,79	34,492	32,30	-	-	66,79						Yes	N/A
DEPARTMENT OF HUMAN SETTLEMENTS - DOH	DEPARTMENT OF HUMAN SETTLEMENTS	-	-	108,246	1,996	110,24	5,38	17,56	14,02	21,20	58,17					Accrued 2,30	Yes	N/A
DEAT	DEPARTMENT OF ENVIRONMENTAL AFFAIRS	-	-	-	-	-	-	16	-	338	50						Yes	N/A
GRANT ACCREDITATION	DEPARTMENT OF HUMAN SETTLEMENTS	3,983	1,225	3,228	4,475	12,911	4,529,47	4,07	4,332,15	6,997	19,93						Yes	N/A
NATIONAL ELECTRIFICATION PROGRAMME	DEPARTMENT OF MINERALS AND ENERGY	17,00	18,00	-	-	35,00	9,75	6,18	-17	19,03	35,00						Yes	N/A
DEPARTMENT OF MINERAL AND ENERGY (EEDSM)	DEPARTMENT OF MINERALS AND ENERGY	-	5,000,00	10,000	-	15,00	-	1,17	-	12,98	14,15		96			Paid Back	Yes	N/A
DEPARTMENT OF ARTS AND CULTURE	KZN DEPARTMENT OF ARTS AND CULTURE	-	-	300	72,263	72,56	11,449	13,52	2,615	21,875	49,46						Yes	N/A
DPSA - AQUAPONICS PROJECTS	NATIONAL DEPARTMENT	-	-				-	672	-	788	1,46							
GRAND TOTAL		1,886,82	2,018,74	2,121,81	74,08	6,101,46	1,507,04	1,595,61	1,151,03	1,466,75	5,720,45							

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APPENDIX D: MOSES MABHIDA STATEMENT OF FINANCIAL PERFORMANCE

	2018	2017
REVENUE		
	43,012	63,990
Rental of facilities and equipment	30,039	32,790
Rent Bowl & Non Bowl Events Rent	6,902	8,810
Shops	1,016	5,891
	4,594	15,866
Suites & Business Clubs	461	621
Other income	3,253	3,657
Adventure Walk	120	176
	0	0
Other Attractions-Income	0	0
People's Park	2,117	2,535
	0	0
Sky car Sponsorships	1,008	946
Stadium Tours	8	0
Total operating revenue	46,265	67,647
EXPENDITURE		
Bad Debts	0	1,120
Bad Debts Provision	0	1,120
Depreciation - Property, Plant and Equipment	114,293	113,205
Depreciation	114,293	113,205
General expenses	98,984	99,675
Electricity	11,288	18,406
Fuel & Oil : Vehicles	143	147
Refuse Removal	0	0
Stadium Operational Costs	82,832	78,226
Hire Of City Fleet	389	349
Water	4,332	2,547
Total operating expenditure	213,277	214,000
DEFICIT FOR THE YEAR	-167,012	-146,353